M

Secta. II-27—100,000—21-8-48.

Development (1948) Department.

M8 SERIES

G.O. No. 4613

Dated 9. 9. 48

[Despatch Abstract.]

ding Labour Committee - Tenth Session held in April 1948 -
Papers Recorded.

GOVERNMENT OF INDIA.
Ministry of Labour.

No. LC-264(1). Dated, New Delhi, the 6th July 1948.

From

Rai Bahadur Sadashiva Prasad, M.A., B.L.,
Deputy Secretary to the Government of India.

To

All Provincial Governments and Chief Commissioners, Delhi and Ajmer-Merwara.

Sub:- Summary of Proceedings of the Tenth Standing Labour Committee.

Sir,

I am directed to forward herewith a copy of the "Provisional Summary of Proceedings of the Tenth meeting of the Standing Labour Committee held in New Delhi on the 15th, 16th and 17th April 1948, with the request that amendments and comments, if any, on the draft proceedings may kindly be communicated to this Ministry by the 7th August 1948, at the latest. In case no comments are received by that time, it will be presumed that you have no comments to make and the proceedings will be finalised as/after /soon that date as possible.

Yours faithfully,

(Sd) Din Dayal,
For Deputy Secretary to the Govt. of India.

...

PROVISIONAL.

GOVERNMENT OF INDIA.
Ministry of Labour.

STANDING LABOUR COMMITTEE (TENTH MEETING).

Held in New Delhi on the 15th, 16th and 17th April 1948.

SUMMARY OF THE PROCEEDINGS.

AGENDA.

I. (A) Replies and comments of the Government of India to the International Labour Organisation questionnaires and reports on:-

(a) Wages:-

(i) fair wages clause in public contracts,
(ii) protection of wages.

(b) Freedom of association and protection of the right to organise.

(c) Application of the principles of the right to organise and bargain collectively, collective agreements, conciliation and arbitration and co-operation between public authorities and employers and workers organisations.

(d) Vocational guidance.

(B) Revision of Conventions concerning the night work of women and young persons.

II. Implementation of the Industrial Statistics Act, 1948.

III. Compulsory Provident Fund for Industrial workers.

IV. Decasualisation of labour in main industries.

V. Implementation of the resolution on Industrial Truce adopted at the Industries Conference held in December 1947.

...

List of representatives present the meeting.

Chairman - Hon'ble Shri. Gulzarilal Nanda,
Labour Minister, Bombay.

Central Government.

1. Mr. S. Lall,
Secretary to the Government of India, Ministry of Labour.

2. Mr. K.N. Subramanian (Adviser),
Joint Secretary to the Government of India,
Ministry of Labour.

3. Mr. S.C. Joshi (Adviser) Chief Labour Commissioner.
4. Dr. N. Das, (Adviser), Director-General of Resettlement and Employment.

BOMBAY.

Mr. N.K. Dravid, Secretary to the Government of Bombay,
Labour Department.

BENGAL.

Mr. D. Chatterjee,
Deputy Secretary, Industries & Labour Department.

UNITED PROVINCES.

Thakur Kuldip Narayan Singh, Deputy Secretary,
Industries & Labour Department.

ORISSA, BIHAR AND ASSAM:-

(1). Mr. V. Ramanathan, Secretary to the Government of Orissa, Labour Department.
(2) Mr. S.R. Bose (Adviser),
Deputy Commissioner of Labour and Employment, Bihar.

MADRAS, CENTRAL PROVINCES AND BERAR.

1) Mr. R.M. Sundaram,
Commissioner of Labour, Madras.
2) Mr. P.K. Sen,
(Adviser) Labour Commissioner, C.P. & Berar.

EAST PUNJAB, DELHI AND AJMER-MERWARA.

(1) Shree M.R. Bhinde,
Secretary to the Government of East Punjab,
Labour and Excise Department.
(2) Dr. B.R. Seth, (Adviser)
Director of Industries and Labour, Delhi.

(3) Mr. Onkar Nath,
(Adviser), Labour Officer, Ajmer-Merwara.

MYSORE, TRAVANCORE AND HYDERABAD.

(1) Hon'ble Sriman K.T. Bhashyam, Law Minister for Labour and Labour, Government of Mysore.
(2) Mr. C.P. Gopala Panikar,
Secretary to the Government of Travancore,
Law and Labour Ministry.

INDORE, GWALIOR AND BARODA.

(1) Mr. V.V. Dravid,
Hon'ble Minister for Labour, Indore.
(2) Mr. N.D. Gupta,
(Adviser), Deputy Director of Labour, Gwalior.
(3) Mr. N.B. Cama,
(Adviser), Deputy Director of Labour, Baroda.

ALL-INDIA ORGANISATION OF INDUSTRIAL EMPLOYERS.

DELEGATES.

(1) Mr. S.P. Jain.
(2) Sir Shri Ram.

ADVISERS.

(1) Mr. D.G. Mulkerkas.
(2) Mr. G.L. Bansal.

EMPLOYERS FEDERATION OF INDIA.

DELEGATES.

(1) Sir Ardeshir Dalal.
(2) Mr. A.J. Elkins.

ADVISERS.

(1) Mr. T.S. Swaminathan.
(2) Mr. Y.S. Pandit.

ALL-INDIA TRADE UNION CONGRESS

DELEGATES.

(1) Mr. K.N. Joglekar.
(2) Mr. Manek Gandhi.

ADVISERS.

(1) Mrs. Shanta Mukherji.
(2) Mr. K.S. Pitkar.

INDIAN NATIONAL TRADE UNION CONGRESS.
DELEGATES

(1) Mr. S.R. Vasavada.
(2) Shri Shantilal H. Shah.

ADVISERS.
(1) Shri Suraj Prasad Awasthi.
(2) Shri Ramananda Das.

INDIAN FEDERATION OF LABOUR.
DELEGATES

(1) Mr. V.B. Karnik.

ADVISER.

(1) Mr. K.K. Sinha.

INDEPENDENT EMPLOYER.

Mr. N.S. Kajrolkar,
Vice-President, Butter Manufacturers' Association,
112, Meadows Street, Fort, Bombay.

SUMMARY OF DISCUSSION.

In the absence of the Hon'ble the Labour Minister, Government of India, the Hon'ble Shri Gulzarilal Nanda, Labour Minister, Government of Bombay, presided.

The Chairman requested Mr. Lall to make some introductory remarks.

Mr. Lallexplained the reasons why the Labour Minister could not attend the meeting and thanked the Hon'ble Shri. Gulzaril Nanda for taking the chair in his absence. He also explained that it was not possible to call meetings of the S.L.C. Oftener due to various reasons, particularly due to shortage of officers. He poi ed out that apart from the meetings of the S.L.C., the Ministry of Labour had been trying/inaugurate Industrial Committees on various industries and that meetings of Tripartite Industrial Committees on Coal, Cotton Textiles and Plantations had been held already, the last being the most successful because it came to definite conclusions and prepared the ground for a very substantial advance in the conditions of plantations labour. He announced that the Ministry of Labour was contemplating setting up Tripartite Industrial Committees on Jute, Cement-Tanneries and Leather Goods and stated that it was his feeling that the Tripartite Industrial Committees provided a very good machinery for finding a common ground between the different parties. Citing the case of the Coal industry, he pointed out that there was considerable lack of coordination betwee the Centre and the Provinces which had just happened because there was no machinery to provide a meeting ground and that when he went the coalfields with the Hon'ble the Labour Minister it was suggeste that there should be a permanent or standing Tripartite Committee which would examine all disputes as they arose and try to settle quickly instead of referring them to adjudication. Referring to the Agenda, he said that one of the main items on the agenda was the replies to be sent to the International Labour office on their questionnaires and Reports to the subjects on the agenda of the San Francisco Session of the Conference.

He regretted that it was not possible to consult the Standing Labour Committee before sending the replies to the I.L.O. as they have to be forwarded by a prescribed date and the Standing Labour Committee cannot be called at such a short notice. The views of the Standing Labour Committee can be incorporated in the brief to the Government delegates to the conference. Referring to item 7 on the agenda dealing with compulsory Provident Fund for industrial workers which was an attempt to extend social security, he said that a very big compulsory Provident Fund Scheme had already been started for coal miners and that if that scheme was successful it would be possible to extend it to other categories of industrial workers as well.

Dealing with the decasualisation of labour in the main industries he felt that the Chairman would be able to supplement what had already been put down in the memorandum on the subject.

He pointed out the importance of the resolution on

Industrial Truce, and said that ways and means of giving effect to the principles laid down in the resolution would have to be devised.

Mr. Gandhi on behalf of the All India Trade Union Congress voiced his emphatic protest for not calling a meeting for a perio longer than a year and wanted to have an assurance from Government that the meetings of the Standing Labour Committee would not be delayed in future merely on grounds of shortage of officers.

Mr. Lall noted that.

ITEM I. (A)(a)(i).

FAIR WAGES CLAUSE IN PUBLIC CONTRACTS.

Mr. V.V. Dravid - (Indore) felt that the wordings of the clause did not say much regarding fair wages and as such it would be better to be more specific about the point and also to make provision for reference to something like a Wage Board in case there was doubt whether the Wages stipulated in the contracts were not fair wages.

The Chairman drew his attention to the provision for setting up the machinery for determination of fair wages.

Mr. Joglekar agreeing with the Labour Minister, Indore. stressed that what should constitute a fair wage should be specifically laid down as otherwise the thing would be imperfect. Referring to question 3(ii) and Government's reply thereto he stressed that the answer should have been in the affirmative and that public contracts should be given, only to such firms which possessed a certificate to the effect that they did pay fair wages to the workers and that the Government should certify that referring to the reply to Question 7, he said that he did not see any reason why the regulations relating to public contracts should be suspended even during national emergency since even during such times workers' wages should not be allowed to be affected only after consultation with worker's representatives. Even where famine relief works were undertaken, he urged that the fair wages clause should operate. Referring to Government's reply to Question No. 12, he felt that if the general conditions of the workers and wages standards were to be decided, it should not prove difficult to fix wages even if the scope of the convention was widened to cover all contracts. He felt that Government's reply to question 12 was very objectionable since it was made to appear that the grant of higher rates of wages to workers employed on Government works was something like special privilege given at the expense of the Community. He urged that Government should take the lead in setting an example for other employers regarding the proper rate of wages.

Mr. Manek Gandhi pointed out that if the economic development of a particular area was higher than that of another, the Government should see that proper protection was given to the workers by giving them a fair wage. The argument of the Government that the economic development of the rest of the country being poor, a higher standard could not be laid down could not be accepted.

Mr. Lall pointed out that the I.L.O. question visualized that.

Mr. Gandhi pleaded that Government should take a progressiv attitude in answering I.L.O. questions, and suggested that the reply should be in the affirmative.

Sir A. Dalal thought that there was a good deal of misconceptio about the object of the question and its answer. He suggested that when giving fair wages, conditions should be laid down to bring the working conditions also up to a level and felt that all that was implied in the question was that the work done should be commensura with the wages paid and that the answer should, therefore, be in the affirmative.

Mr. Elkins pointed out that there had been instances where although Government had approved of the wages as fair, labour had refused to work on those wages with the result that the contractors had been put to a loss and Government did nothing to assist the contractors.

Mr. Joshi replied that the wages which might have been fair at one time, could not be said to be so always.

Mr. Joglekar referring to Government's reply to question No. 1 said that he failed to see any reason why it should not be possible in all cases to specify in the contracts the normal rates of wages and overtime rates. He was/the opinion that any latitude in this respect would be detrimental to the workers' interests and as such both normal rates of wages and overtime rates must be specified in all contracts. Referring to Government's reply to Question No. 20 he also expressed the view that in all cases funds must be withheld from contractors to meet the claims of the workers.

Mr. Gandhi agreed with Mr. Joglekar that the money should always be withheld from the contractor since it very often happened that the contractors took the money and went away and subsequently the workers were the suffers. He further stressed that if the contractors ran away, the authority giving the contract must be held responsible for paying to the works and suggested that the question should be covered by a Convention and not a Recommendation.

Shri Shantilal Shah drew attention to Government's answer to question 12 and suggested that in such cases the fair wage should be fixed by the Wage Boards to be constituted by either the Central or the Provincial legislation.

The Chairman asked whether the question related to conditions of work.

Shri Shantilal Shah replied that the answer confined itself mainly to wages although the question related to work. Referring to Mr. David's point that fair wages were laid down in the contract, he pointed out that if wages were fixed by a Wage Board, there the wage rates laid down in the contract may vary. He was of the opinion that in case of national emergency, Government should have the power to suspend the fair wage clause and invite the S.L.C. at the earliest opportunity to express its opinion on the action taken by Government and thereafter to implement the decision of the Committee. As regards withholding contractor's money, he suggested that if the contract in cases of default in the payment of wages was spread over a long period, then in cases of default in the payment of wages the payment of money equivalent to one or two months' wages might be withheld. If all payments were withheld it would be impossible for the contractor to work, and that itself might be a ground for nonpayment to labour.

Mr. Ramanathan signifying the general agreement of his Government with the Government of India's reply to the questionnair felt that since famine relief measures were undertaken by the Provincial Governments it would be better to have some latitude by the Provincial Governments it would be so that the Provincial Governments could give the best relief to the people.

Mr. Sundaram was in general agreement with the replies but suggested that in defining contracts some monetary limits should be fixed so that all types of small contracts might not be

included. He suggested further that alongwith the fair wages clause, the task should also be specified.

Mr. P.K. Sen was in favour of relaxations for famine relief works. He also felt that in cases of building works like the P.W.D. Construction, it would not be possible to lay same definite allotment of work and to include the fair - wages clause in all contracts He therefore suggested that if there was less output, corresponding reduction in fair should be allowed in fair wage clause.

Thakur Kuldip Narayana Singh while agreeing with the Central Government's replies stressed that Government should have power in a national emergency to relax the fair wages rates.

Mr. Chatterji generally agreed.

Mr. N.K. Dravid (Bombay Government) expressed the opinion that in principle Government should enforce the fair wages clause in all contracts and refuse to patronise those who did not pay a fair wage. He stressed that the difficulty of inspection should not be an obstacle and agreed with the representatives of Orissa and U.P. regarding famine relief rates and with the Government of India with regard to other questions.

Mr. Gandhi stressed that famine relief work should not be give to contractors.

Mr. Lall pointed out it was never given.

Mr. Gandhi pleaded that since no other class of workers who had fixed waged suffered during national emergency it would be unfair to penalise only a particular class of workers. He did not agree with the suggestion of a previous speaker to the effect that Government should take action first and then call a meeting of the Standing Labour Committee.

Mr. Karnik referred to question 3 and expressed the opinion that the fair wages clause should apply to all the three categories mentioned in the question. He felt Government should not place their orders with any firm or with any concern which was not prepared to accept the fair wage clause.

The Chairman pointed out that if there were not many firms producing a particular type of goods they could not stick to the principle suggested by Mr. Karnik.

Mr. Karnik replied that Government's insistance on placing orders only with those firms which gave a fair treatment to their workers would compel the employers to fall in line with fair conditions of work in every case. He was of the opinion that national emergency should be defined as a war and that the exemptions should be brought into force only in case of war but that if not prior, at least immediate consultation with the workers organisation should be insisted upon.

Sir A Dalal enquired whether it was not the practice of Government to notify a state of emergency, He stressed that there could not be any question of applying the laws to payment for famine labour.

Mr. Lall said that before dealing with the points of criticism, he should like to point out that in framing the replies to the questionnaire it should be borne it mind that if a country was heading for a convention she was undertaking a very definite obligation to fulfil absolutely and assuch without a machinery to enforce what was being accepted a country should not rush into a convention. He cited the cases of countries which had come to grief over ratification of conventions because although they had ratified them. There were many violations. He pointed out that

there were many things for which he would like to a Convention rather than a Recommendation, but as it was not quite certain that all the Provinces in the Union were going to provide the required machinery for enforcement it was better to go slow. While agreeing with the suggestion that public contracts should only go to firms which were certified as giving fair wages, he drew attention to the question of enforcement of that condition and again stressed that going in for a Convention would mean asking for trouble. He pointed out that the Factories Act provides for suspension and national emergency. He agreed with Sir Ardehir Dalal that if there was a notification by Governmen regarding national emergency, that should be accepted.

Mr. Gandhi stressed that it would be better to rely on the patriotisms of worker otherwise he may be alienated.

Mr. Lall remarked that since there would be a democratic form of Government, the patriotism of the Government should also be relied upon. He re-emphasised that famine works were not given on contract and everything was supervised by Governmental agency and as such there was no neccssity of raising that point. He agreed that the point raised regarding monetary limit for contract was a sound one but that was again a matter which would require careful examination. He, however, felt that the proposed figure of Rs. 30,000 was high. Referring to Government's answer to Question 3, he explained that the reason of going slow was largely influenced by the fact that Government were not sure how for they could undertake a definite obligation. Although Government could definitely accept the responsibility in respect of public works, they were not so sure in respect of other categories and this explained the reason why Government had been a bit halting in their reply. In reply to Chairman's query he stated that it could go as a recommendation but a Convention was a danger.

The Chairman invited the remarks of the workers' representatives on the question of giving a contract for a particular amount.

Mr. Gandhi replied that the employers would divide the contracts between four or five firms.

Mr. Lall pointed out that both the principal and small contractors were equally bound and that the main contractor being responsible would apply that to sub-contractors also and Government would also stop splitting up of contracts as far as possible.

Mr. Gandhi felt that the Government was leaving out most of the things as Recommendations for want of administrative machinery.

Mr. Lall replied that Government were not leaving most of the things but were undertaking definite responsibilities as well.

Mr. Dravid (Minister - Indore) felt that unless the sphere of control was limited, Government might not be able to regulate and control matters. He stressed that fair wages should be specifically laid down instead of leaving the matter to the terms of contracts.

Mr. Lall pointed out that to lay down in a Convention or Recommendation absolutely how a fair wage was to be decided in all the countries of the world wa s going to be a really tremendons if not an almost impossible, task as the criteria for determining fair wages for India could not be made applicable to all countries of the world. He felt that it would be impossible for an International Body to step in and say that they were going to decide what should be the fair wage for all countries.

Mr. Dravid (Minister for Indore) still felt it could be said th local authority or the local Government should settle that question.

Mr. Lall did not think it was necessary to specify that in a Convention or Recommendation.

The Chairman felt that there was adequate discussion on the question and pointed out that the overriding consideration was the fact that whatever was undertaken would have to be carried out. He thought that the machinery that would be provided could be trusted to see to it that the fair wage clause was honoured in all contract: He pointed out that national emergency had nothing to do with wages only and felt that the obligation to see that certain wages were being paid might not be enforced in a state of emergency.

Some members felt that the normal principal of liability should be accepted.

Mr. Joglekar stressed that the legal liability and the legal claim of the workers should remain.

The Chairman drawing attention to part 5 of question 17 and th answer thereto, pointed out that there was a 'competent authority' for the fixation of fair wages.

ITEM V(A)(a)(i) - "PROTECTION OF WAGES"

Mr. Dravid referred to question V(a) (i) and suggested that allowances in kind should be restricted only to the personal requirements of the worker and his family. He drew attention to the danger of the employer's interference with the wage level and pointed out that in one centre cheap cloth was supplied but only 25 per cent of the workers availed of that and at the same time that went into the cost of living index and brought down the dearness allowance. Referring to question 6(b), he felt that the consent of the worker might not be an adequate safeguard and stressed that unless all workers were literate it would be better to insist on cash payment of wages. With regard to question 14, he expressed the opinion that no deduction should be allowed. Referring to question 16, he thought that there need be no prescribed time limit and that all arrears of wages should be give protection. He drew attention to the fact that under certain Acts like the Provincial Insolvency Act and the Indian Companies Act, the protection of wages was for a higher amount than a month's salary and sometimes even upto Rs. 1000/-. He expressed the opinion that the same could be enforced in respect of secured and unsecured debts, whatever the wages might be.

Thakur Duldip N. Singh agreed with the view of the Bombay Government but referring to Question 14(1) felt that there were dangers where labour was unorganised or where industrialisation was in its infancy. Referring to Government of India's views on question 16 that wages payable during the last wage period should be treated as privileged debt he re-iterated the views of the U.P. Government that all payable wages and fines and deductions from wages for pfoviding amenities to employees should be treated as privileged debts. He agreed generally with the Government of India in respect of replies to other questions.

Mr. Sundaram agreed with the views of the Government of India.

Mr. Ramanathan stressed that workers should be paid in cash only and not in bank drafts and cheques.

Mr. Lall pointed out that the workers sometimes preferred cheques and hence payment could be made in cheques, etc. with their consent.

Shri Shantilal Shah argued that since an award might not be interpreted as a contract and since doubts had arisen whether an award could be enforced under the Payment of Wages Act, it would be better to substitute "written or unwritten contract", by "award or binding order which binds the employer and the employee".

Mr. Sundaram said that his Government had already suggested to the Government of India that power should be taken to compel the employer to pay what had been awarded.

The Chairman said that the suggestion was that the Payment of Wages Act should to answered to that extent.

Referring to the suggestion regarding exclusion of "gratuity payable on referring to the suggestion regarding exclusion of "gratuity payable on discharge".

Shri Shantilal Shah stressed that the Payment of Wages Act should be suitably amended otherwise it might not be possible to enforce gratuity award. He also suggested that there should be a recurring penalty for every day of default in payment, since the present penalty of a fine of Rs. 100 was not adequate.

The Chairman asked him whether he meant that the Industrial Disputes Act should provide for that.

Shri Shantilal Shah replied in the affirmative. Referring to Question 16 he suggested that instead of "one month before the date of application", the time should be unlimited. With regard to mortgage debentures, he suggested that wages should be attached to the goods so that even in case of most of mortgage wages must rank in priority to the claim of the mortgage. Referring to Question 20, he suggested that payment of wages should be made weekly and not monthly.

In reply to a query of Mr. Vasavada, the Chairman made it clear that except for personal use, there should be no payment in kind. He wanted to know whether the question of weekly payment should be in the Convention or in a recommendation.

Mr. Gandhi replied that so far as India was concerned it should be weekly.

Mr. Joglekar agreed with Mr. Shah regarding gratuity and felt that it should be paid within a specified time limit.

Mr. Lall pointed out that that was provided under Question 3(a). Referring to Question 5, Mr. Joglekar asserted that he was against payment of wages in kind and that generally the cheque system should not be in vogue. With regard to Question 9(b), viz., sale of goods at fair prices, he stressed that steps should be taken to ensure that prices were fair and reasonable and that if there was any arrangement for the supply of goods at cheap rates, the workers' representatives must be associated with these arrangements. He suggested that 9(b)(iii) should be deleted. Referring to Question 12, he suggested that in case of any negligence or damage, an enquiry should always be held (with which the workers' representatives should be associated) to assess the blame before taking any decision in the matter.

Mr. Joshi pointed out that that was provided for in 13(a)(ii).

Mr. Gandhi argued that that was not enough and stressed that the enquiry should ascertain whether the damage was intentional or the mistake was deliberately committed.

Referring to Question 13(3), Mr. Joglekar suggested that the proceeds of the disciplinary fine must necessarily go to the benefit of the staff of the undertaking concerned. He agreed

Mr. Karnik did not see any necessity for making any distinction between some of the details given and certain general regulations with regard to questions 25,26,27,28 and 29. He, however, felt that it would be desirable to have a Convention with regard to 27 and did not think that Government would have to go much out of their way to give effect to that. He supported the suggestion that wages should be considered as privileged debt and was sure that the Government of India would be prepared to amend their answer and to regard all arrears of wages as defined in the Payment of Wages Act as privileged debt. He pleaded that payment of wages by cheques and bank drafts with the consent of the workers should be encouraged as that would probably induce them to save and to utilise the wages properly.

Sir Ardeshir Dalal congratulated the Ministry of Labour for the admirable manner in which the replies to the Questionnaires were prepared but felt some occasional difficulties did arise. Quoting the proposed reply to Question 3, he felt that some alterations were necessary. He agreed with Mrs. Joglekar that fine recovered from any particular concern should be employed for the benefit of the employers of that concern only. In support of this view, he cited the case of Tatas. He agreed with the Government of India that Questions 26,27 and 28 were matters of detail and as such it would be difficult to adopt a convention for them.

The Hon'ble Mr. Bhashyam agreed with Mr. Joglekar that in cases of discharge the cases of gratuity payment should be made within a fixed time.

The Chairman pointed out that if it was treated as a part of the wages, the maximum period within which wages should be paid would cover that also.

The Hon'ble Mr. Bhashyam stressed that it was very necessary that the worker should get all his dues within a fixed time. He thought it was necessary to have a Convention in respect of 9(b)(iii). He agreed with Mr. Joglekar that workers should always be associated and not whenever possible. As regards loss due to begligence, he expressed the view that the employer should be bound to make good the loss but there must be some provision to rectify a wrong decision.

Mr. Lall pointed out that in cases of wrong decision, the workers would go to the Works Committees.

The Chairman pointed out that the authority was then under the Payment of Wages Act.

90

The Hon'ble Mr. Bhashyam suggested that the fines should to some Labour Association, because he thought that if employers to keep fines they might spend the amount on something which might or might not be for the benefit of the workers.

Mr. Gandhi pointed out that they did not want the money.

Mr. Joglekar wanted that there should be a Workers' Committee to administer the Fines Fund in the Factory itself. He stressed that instead of attaching the entire wage, some limit should/ prescribed.

Mr. Joshi pointed out that such details would have to be left to the Recommendations.

The Hon'ble Mr. Bhashyam suggested that details regarding conditions should be displayed on the notice board and the employer should be called upon to give the details everytime he paid the wages.

The Chairman pointed out that that would be a very eloborate process, especially in regard to wages of piece workers.

The Hon'ble Mr. Bhashyam replied that in difficult cases exemptions could be granted. He also suggested the issuing of a Card containing all details of calculation.

Mr. Dravid (Indore) thougnt that it would be very difficult to put the suggestion into practice.

Mr. Lall thought that reply to Question 3 needed re-examination particularly in the light of Sir Ardeshir Dalal's remarks and agreed that there should be a specified time limit in the case of gratuities. He said that he had noted that the general desire was that payment in kind should be restricted to personal use. He thought it was agreed that banks drafts and cheques could be allowed if the workers agreed. As regards 9(6), the view was that Government should accept in a Convention that appropriate measure should be taken to ensure the sale of goods at fair and reasonable prices. Mr. Lall, however pointed outthe difficulties as also the vagueness of the term "appropriate measures". He agreed with Mr. Gandhi that he reply to question 9(b)(iv) should be 'yes'. He said that he would note Mr. Joglekar's point that only cases of 'grave' negligence should be covered, but did not consider it was necessary to provide for an appeal since that was covered by the Payment of Wages Act. He agreed that the proceeds of the fines should go to the benefit of the staff of the undertaking concerned but since there may be cases where there may be no staff it would be better to add that these might be used for any other general fund of the workers if the National authority gave permission to that effect. Referring to question 14 he suggested that instead of putting too many things into the Convention and thereby making it difficult for many countries to ratify, it would be better to wait and see the trend of the discussions at San Francisco before coming to a definite conclusion.

Mr. Gandhi felt that the Government of India could vote for 'no' at the San Francisco Conference.

Mr. Lall pointed out that it was a general practice that the workers were made to pay for the tools and that there was always a fight between the management and the workers that tools had been damaged.

Mr. Joglekar stressed that the worker must not be made to pay for the tools.

Mr. Karnik suggested that deletion of at least (i) and (ii).

Mr. Lall thought that sometimes by collective agreements the workers might say that they should themselves provide for the tools.

Mr. Gandhi did not think that would ever happen in India.

Mr. Bhashyam wanted to know what was the decision regarding 14(i).

Mr. Lall replied that the point was noted and suggested that it was best not to be dogmatic. Referring to Question 16, he stated that he would make a note that the view of the Standing Labour Committee was that there should be a limit. He thought that question regarding holidays with pay, provident fund and compensation pay, provident fund and compensation for injury were covered but he would check those up.

Mr. Gandhi pointed out that since the Payment of Wages

ere may be no staff it would be better to add that these might be used for any other general fund of the workers if the

Act was not applicable to all industries it would be better to make the points clear.

Quoting Question 27, Mr. Lall pointed out that that was a very big obligation and as such it was necessary to be cautious.

The Chairman pointed out that page 24 of the International Labour Office Report made it clear that a number of countries regulated by law the deductions made for cost of tools, materials and equipment supplied by the employer to the worker and that in the case of India it was specifically mentioned that deductions of that nature was expressly prohibited.

Mr. Gandhi thought that by saying "yes" Government wanted to go back on their previous attitude.

Mr. Lall replied that the position was not so but that he did not want to accept the obligation in that term.

Mr. Elkins felt that the answer to the second question should be "yes". He was however, not quite clear about the answer to question 3(e).

Shri Shantilal Shah pointed out that in view of the answer to 3(a), (b) did not arise.

Mr. Karnik did not consider any necessity of the proviso suggested in the reply to question 4, since it could be taken for granted that any organisation which did not follow peaceful and democratic methods would render itself liable to penalty imposed by law. In reply to Chairman's query, he remarked that he did not want the provision in the Convention. Referring to the proviso put in the reply to Question 6 he felt that it mititated against the freedom of organisation for which the Convention was being framed. Drawing attention to the proviso (a) to the reply to Question 14, he wanted to know the reasons for presuming that the Trade Unions would be organised on the basis of sex, colour or community.

Mr. Lall pointed out that the Trade Unions were organised on that basis.

The Chairman said that since there was nothing to prevent anybody from doing that again it was better to make provisions for possibilities.

Mr. Karnik suggested that deletion of clause (b) of the reply to Question 14. He also did not consider it was necessary to mention clause (c) since the Trade Union Act already provided that the Trade Unions should have a certain type of constitution providing for elections, membership, inspection of registers, etc.

Sir Ardeshir Dalal pointed out that the proviso applied not only to Trade Unions but also to employers.

Mr. D.C. Mulherkar referring to clause (a) of the reply to Question 14, suggested the deletion of the word "nationality".

Mr. Gandhi felt that the questions of freedom of association and protection of the rights of the workers to organise were correlated and as such there should be one convention instead of two. Referring to the answer to Question 3(a), he suggested that there should not be any provisos at all; since the right to organise was a fundamental right. Referring to reply to Question 3(c), he felt that to deprive a worker, just because he was a public official, of the right to strike would be very harmful to the interest of the worker in improving his condition. Drawing attention to the proviso to reply to Question IV(a) and (b), he pointed out that Trade Unions were being attacked in various provinces in the country and since the law of the land would punish those who indulged in acts which were against the law, he said no reason for putting the process. Referring to reply to Question 6, he pleaded for the deletion of the qualifications and stressed that

the employers and workers should have the right to form national and international confederations. He wanted to have clarification of Question 11. He agreed with Government's reply to Question 14(a but felt (b) was not necessary. Referring to (c), he said that it was not necessary to put all those provisos as those were there for crushing the independence movement of the working classes.

Mr. Vasavada generally agreed with all the replies of the Government of India. Referring to Mr. Gandhi's contention that the Government of India has not permitting him to have international relations, he made it clear that so far as the working classes were concerned, he was fed up with international guidance and his organisation was quite content with what was put for their workers and for their country. Referring to the objection raised by some members to the reply to Question 3(a), he pointed out that no special treatment need be meted out to the workers and that he felt quite happy with the reply. Referring to the question of right to strike, he did not feel it was necessary, to debate the proviso. He also strongly supported the retention of the proviso in Government's repl regarding foreign affiliations.

Shri Shantilal Shah referring to the Trade Unions Act pointed out that it really did not give sufficient protection or security or safeguard. He felt that to say that Government should n go beyond the Criminal Procedure Code would give some organisations liberty to defy the law. He, therefore, agreed that all the provisos proposed Government should be there since they were intended either for the safeguard and security of the State or for maintaining the democracy of those who believed in non-violent and peaceful methods.

Mr. Ramarathan agreed with the views of the Government of India.

Mr. Sundaram while agreeing with the Government of India suggested that instead of "democratic procedure" the words "in a peaceful and non-violent manner" might be put in.

Mr. Sen agreeing generally with the Government of India pointed out that it appeared to him that a supposition was made that all the Trade Unions of Employers' Organisations were registered bodies. He mentioned that in Central Provinces there were as many registered Trade Unions as the unregistered ones and that similar was the case with employers' organisations. He suggested that the recognition of these bodies should be made dependent on registration under the law of the land and felt that a provision to that effect should be made in replies to Questions 3(a), 4,5, 10 and 14.

Thakur Kuldip Singh, Mr. Chatterjee, Mr. Bhide and Mr. Sharma agreed with the Government of India replies.

Mr. Joglekar said that since the Committee was considering Conventions to be adopted for all countries, Mr. Gandhi had stated that while the answers of the Government of India were generally correct they were modified by introducing national peculiarities. He made it clear that they were agreeable if only the tone of the answers given was not objectionable at all to the fundamental and basic rights of workers in every country. He pointed out that the right of workers to organise was being denied in different countries and as such the International Labour Conference wanted to lay down conditions and procedure whereby those concept were agreed to by all. He stressed that those countries which would accept the principles would have to fight against national drawbacks, while in those countries where fundamental rights were denied, an international convention would be able to assist in the expansion of the rights and privileges of humanity. Referring to Mr. Karnik's objection to the deletion of those national peculiarities in the replies, he stressed that the replies should be put in such a way that no exception to them could be found. He reiterated his objections to the qualifications in the replies. Referring to the

inherent right of association and organisation and the words "injuring the security of state" in the replies, he felt that even if a state developed into a Fascift State at some future date and denied all rights of association and freedom of organisation, any organisation of workers would become a danger to the State at that particular stage but that should not deprive a nationaliso of the State of his inherent right of association of organisation. He felt that the purpose of the Convention was to build up an international character of rights and obligations and India should not, therefore qualify the Convention and modify it by importing into it her national peculiarities and difficulties.

Mr. Lall explained that if no provisos were put it that would have meant acceptance of the Convention unconditionally. He pointed out that the point was raised with the International Labour Office at the first meeting with the request to let the Indian Delegation know, clearly what they wanted it to accept. Quoting from International Labour Office regarding ratification of Conventions, he reiterated that if the provisos had not been put, India would have to accept the categorical obligation that the worker had a right to do those things without the law restraining the leaders or the men. He stressed that that was/thing which could not be accepted. Quoting clause 13(1), he pointed out that the right of freedom of association was restricted in the country's constitution and as such by accepting a categorical assertion and ratifying the Convention without the clauses would be making the Convention null and void. He argued that not only the Government of India but no Government could give a right to freedom of association unconditionally. The International Labour Office it appeared, recognised that and redrafted the Convention suitably. He made it clear that without those provisos India could not ratify the Convention without revising the Constitution of the country. He stated that the suggestions for modification would be considered. Referring to Madras Government's suggestions he agreed that those could be met.

Mr. Gandhi felt that Government had not recognised the freedom of association as a fundamental right.

Mr. Lall agreed that freedom of association was a fundamental right but pointed out that there was another fundamental right which says "Salus populi suprema rex" and provision had to be made by harmonizing these two fundamental rights. He felt that if nationalit were cut out, then there would be a workers' organisation or an employers' organisation and it could be said that all are Anglo-Indian or Parsis.

The Chairman wanted to know whether it would make that invali if the nation said that it was not going to allow the nationals of some place to work.

Mr. Lall said that was a difficult point and would require deep consideration.

Mr. Bhashyam requested Mr. Lall to explain certain words in the reply to Question 14(c).

Mr. Lall replied that those words were intended to provide against the practice obtaining in some areas where in the name of an organisation the will of just of a few people only prevailed. He referred to Madras Government's suggestion to substitute the words "peaceful and non-violent" for "democratic".

Mr. Bhashyam felt that Madras Government's suggestion was non appropriate.

Mr. Dravid (Indore Minister) stressed that the word democratic should be there.

Mr. Bhashyam suggested that the words "conduct their activities in a democratic and peacul manner" might be there.

Mr. Karnik did not want a Trade Union to be above law.

The Chairman took up the objections raised against the provisos made in the replies. Referring to Mr. Karnik's standpoint that the trade unions would be democractic and peaceful, he felt that in the light of the experience gained of the actual position the provisos were necessary. Drawing attention to the words "a democractic organisation he felt that it was wholly incorrect to interpret these words as restriction on the organisations and that these were really meant as a safeguard in order to enable the workers for whom the associations were intended to function. With regard to Mr. Joglekar objection, he pointed out that if it were open to India, to make provision for its special needs later on it its own way, the position would have been different. The special difficulties of India should be provided against. Reading from the International Labour Organisation report, he pointed out that it was very clear that if the convention did not leave room for the promulgation or the enactment of any provisions that it would not be open to India or any other country to bringinto effect such provision at later stage. The other objection challenged the very desirability of those provisions and it was contended that amounted to a kind of Fascism. He pointed out that the very words were themselves a negation of fascism and that democracy could only function on a basis of peaceful working. Referring to the suggestio that at the International Labour Conference it was apparent that he has in mind the fostering a certain kind of organisation and suppressing another, he said that Mr. N.M. Joshi objected to the word "Lawful" and the whole controvery ranged round that. He concluded by saying that no country could be absolutely unmindful or neglectfu of its interest in its territory and hence it was stipulated that there should be open, peaceful, lawful and democratic working of institutions.

Item VII - Compulsory Provident Fund for Industrial workers.

Mr. Lall pointed out that a compulsory Provident Fund for colliery workers had already been started in the coalfields and with the permission of the chair asked Rai Saheb Aggarwal, Deputy Secretary, Ministry of Labour to explain the scheme.

Mr. Aggarwal remarked that although the schemes for the organisation of social security had been considered for a long time, attention had been limited. Referring to the provisions of the Employees' State Insurance Act, he said that it was a landmark in the history of such legislation in India. He said that although old age benefits etc. were being given in other countries India did not appear to be ripe for that so far. He explained that that was due to the fact that Government's attention had been directed to various other matters and that they did not have adequate funds for subsiding such schemes. He pointed out that during the discussions at the Preparatory Asian Regional Conference on the Resolution concerning Social Security, the Government of India had made it clear that they must concentrate on compulsory Provident Fund for industrial workers. Referring to the Board of Conciliation (Colliery Disputes) appointed by the Government of India early in 1947, he said that one of the recommendations of the Board was that a Compulsory Provident Fund should be instituted and that was being implemented by the Government of India. He then dwelt upon the main features of the scheme, namely that it should be compulsory and should cover all colliery workers, subject to the qualification that colliery workers who attended in a quarter on 30 per cent of the working days underground and 40 per cent on surface would become eligible for membership of the Fund. He explained if a worker attended for 23 working days in a quarter once for life out of 78 working days in that quarter he would become a member

and that even if he later on attended for only for a few days it would not matter. He pointed out that the qualifications was, therefore not very rigorous. The workers contribution would be at the rate of 0-1-0 anna in the rupee of the wage, employers' contribution 1 anna will also be the same. The Government of India had decided that a separate Fund should be instituted with its headquarters at Dhanbad and that there would be approximately 3 lakhs of workers on the docks to begin with. He explained that these would be specially prepared ledgers for the various collieries and different types of adhensive stemps of different would be used. An ordinance was being issued by Government under which it would be compulsory for each colliery owner to make deduction from the workers' weekly earnings and to add an equal amount and attach a stamp of that value on the ledger. The stampswould be sold through Provincial Treasuries like band reels on match boxes and there would thus be no cash dealings. He further pointed out that to guard against any colliery proprietor not making a deduction or not affixing the stamps, there would be 5 or 6 Inspectors in different coalfields for checking up and that the organisation proposed to be set up by the Government would be a sort of Accounting Organisation. He pointed out that no withdrawals would be permitted, repayment would be made only when the workers finally got superannuated or left the profession for good and the scheme would have retrospective effect that is from 12th May 1947.

Mr. Lall pointed out that there had been some delay in calculating bonus and that there was a misapprension in the coal-fields that the employers were evading the payment of bonus. He explained that that was not the case but these might be some trouble during the payment of the bonus as every one might not be entitled to it. There could again be some trouble during deduction of bonus for provident fund.

Mr. Aggarwal pointed out that the Government hoped to collect Rs. 75 lakhs per annum from the 3 lakhs of workers and that employers were requested to give 5 lakhs more. That would cover all the expenses of office, stamps, forms, badges, and everything else. In reply to Mr. Karnik's query, he said that the superannuation age had not been fixed and that the calculations were being based on basic wages at present.

Mr. Dravid (Indore) enquired how a worker was going to be prevented from resigning from the collieries and taking his provident fund and coming back again.

Mr. Aggarwal replied that when he would come back he would not be a member.

Mr. Lall added that the worker would not get the money immediately after resignation but would have to wait for 2 for 3 years.

Mr. Aggarwal pointed out that the employers' contribution would be paid only after a certain number of years and that the rules and regulations which were being prepared would be sent to the collieries and to labour.

Mr. Lall added that the rules and regulations would have to be framed in consultation with the Tripartite Industrial Committee on Coal.

Mr. Gandhi said that he did not follow the position regarding wage.

Mr. Aggarwal replied that in collieriesdeductions would be made at the rate of 1 anna per rupee on the basic wage and that the employer's contribution would be equal to workers contribution. He hoped that if scheme was successful, it would be extended to other industrial workers but it would be necessary to have a Central Fund. He pointed out that would be a identity card for each man and whom he would leave one

colliery and go to another he would take that with it. Even if he did not take the card with him, a colliery would ask every new man whether he had a provident fund and whether deductions were made from his wages, so that his benefit would continue

Mr. Dravid drew attention to the character of collieries and felt that if the scheme could be introduced in the collieries there should be no difficulty in havig it in other industries as well.

Mr. Lall pointed out that the colliery labour was not selected as the best suited for the introduction of the scheme but that Government had to take action as a result of the Conciliation Board's award.

Mr. Aggarwal remarked that the question whether the minimum qualification for the eligibility of membership might have to be different for different industries would have to be decided by the Conference. The suggestion to utilise a part of the contribution for compulsory insurance appeared to be good, provided the sum at the credit of the work was substantial.

Mr. Dravid enquired whether the employer would contribute for insurance.

Mr. Aggarwal replied that just as Government servants could pay for insurance from their S.P. Fund, so in the case of the colliery workers also, the payment would be from the total amount at the credit of the worker.

In reply to Mr. Karnik's enquiry regarding the administrative machinery he informed that there would be a Commission and a Board of Trusties comprising of three Trustees each from the employers and the workers and 2 from the Government to administer the Fund.

Mr. Lall said that there would also be a Central Accounts having a thousand ledgers after a thousand collieries with all the workers, each worker's contribution and interest will be added every week. In reply to Mr. Karnik's query, Mr. Aggarwal replied that the employer was required today for the stamp and keep on putting stamp on each man's card.

Mr. Dravid pointed out that there might be some difficulty when a minor left one colliery to join another and that the question of identification would also arise.

Mr. Aggarwal replied that that could be met by writing transferred to ledger No. . . . . " and that the identity card would solve the difficulty since both the worker and the employer would each have a card.

The Chairman enquired whether small concerns would and if so, what should be the enteria.

Mr. Lall replied that so far as the collieries were concerned there would be no exemption.

Mr. Aggarwal added that only the state railway collieries were where provident fund schemes already existed would be exempted, their schemes being linked up with the centre.

Mr. Lall said that in some collieries some of the workers were entitled to a gratuity under the employers' scheme and that steps were being taken to see to it that that did not lapse due to the institution of the Provident Fund Scheme.

Mr. Dravid enquired how long would the Government of India take to watch the progress of the scheme in the collieries before extending it to other industries.

Mr. Lall replied that the idea was to extend the scheme as

quickly as possible but there was no time-limit.

Mr. Bhashyam pointed out that the scheme had been working successfully in Mysore for a long time. He pointed out that the main difficulty was that the worker went out of the work early, draw his provident fund and come back again for employment. The object of providing for old age in such cases was defeated. He suggested that that would have to be prevented.

A member said that for 5 years worker would not get anything.

Mr. Bhashyam replied that he might wait till he got the employers contribution and therefore it should be considered whether a worker should not be prevented from taking his Provident Fund till he reached a particular age. Referring to the difficulty of tackling the case of persons who might be skipping from one industry to another due to retrenchment or unemployment, he suggested for all workers of all classes and the premia should be share equally between the worker and the employer. He argued that the insurance ~~scheme~~ scheme would have the added advantage over provident fund in that if a worker died within a few months of his entering into the insurance scheme the money would go to his dependants where as in the case of provident fund he would only get the amount he had deposited plus the employers' contribution, if any. He then dwelt upon some of the other advantages of insurance ~~scheme~~ scheme viz., that it was always possible for the worker to raise a loan on the insured amount to the extent of his payments, the employers would not have to pay again and again and the worker would get a substantial amount on superannuation. In the event of his death the amount would be available for his dependants.

A member said that Mr. Bhashyam's objection to Provident Fund Scheme could be met by a scheme of gratuity combined with insurance.

Mr. Bhashyam felt that it would be difficult for the employer to pay a portion of the premium and then again to pay the gratuity.

Sir Shri Ram presumed that Government's object was two-fold-namely, that when the worker was no longer fit to work he might not become helpless and that when he died his dependants should be able to get something. He did not think that the proposed scheme was going to serve these objects. He referred to the difficulties experienced in working the Provident Fund scheme started in Delhi Cloth Mills since 1920. He also felt that that might be persons who would indue the workers to do some sort of business with the sum received by him so as to become rich overnight with the result that within a few months he would lose whatever he had earned. He felt that all things considered there should be no Provident Fund. Referring to the insurance scheme he said that the Delhi Cloth Mills had an insurance of their own in which 25 to 30 per cent of the office expenses was not charged at all but even then workers did not join it. He stressed that the real things was an old age pension and in all countries that was provided by Government. He signified his strong objection to the proposed Joint Scheme or Central Scheme especially because that would mean an unnecessary addition to Government Departments. Referring to the Central office in Dhanbad he felt that a man wanting money might have to travel some 200 miles before getting his Provident Fund. He told that his experience of Government institutions with which the poorer sections of the people were concerned was very disappointing.

Mr. Joshi pointed out that there would be local offices for making payments.

Sir Shri Ram stressed that although the Asian Regional Conference did pass the Resolution, time had not so far come and most of the organisations were in favour of starting the Provident Fund at present. Referring to the suggestion on page 3 of the memorandum he said that he did not agree that insurance was necessary to cover only cases of death while in employment. He informed that if inspite of the fact that the industry was not in favour of it, the

the Provident Fund Scheme was instituted, he would have no objection to the linking up of insurance with Provident Fund Scheme. He suggested that the Provident Fund should start after the worker had been in service for a certain period and that it should not apply to workers who were in the habit of going from industry to industry as otherwise migration would be encouraged indirectly. Pointing out that the popularity of the Delhi Cloth Mill Provident Fund was due to the borrowing facilities given to the workers, he expressed surprise at Mr. Aggarwal's remarks to the effect that workers should not be allowed to take loans from the Fund.

Mr. Aggarwal said that in the coalfields a bonus was being paid after three months

Sir Shri Ram retorted that the bonus might be due September whilst the worker might need money in May as such he did not see any reason for creating difficulties. He did not favour the idea of starting the scheme with retrospective effect, viz., from 12th May 1947. Reiterating his objection to the Central Organisation, he said that he was against any charge on the employer for that and stressed that instead of paying the amount due in a lump sum it would be better to give the worker something monthly

Mr. Karnik agreed with Sir Shri Ram that the Provident Fund Scheme could not be a substitute for old age pensions. He wanted the Government of India to consider the proposal of initiating a scheme for old age pensions as early as possible but felt that there was necessity for provident fund and that the two should not be confused. Dealing with the merits of the Provident Fund Scheme, he said that the initial difficulties would be got over gradually. He agreed that there should be some qualifying period but as soon as a worker was employed for period he should be entitled to contribute to the fund with retrospective effect. He suggested that there should be rules regarding employers' contribution and for that there should be a sliding scale of contribution raising with the number of years of service. He was opposed to the suggestion that the workers should not be permitted to make withdrawals especially in view of the various difficulties that the workers might have to face. He agreed to the scheme being run on a central basis and stressed that although it may not be on all-India basis it should at least be on a Provincial basis and, if possible, on an industrial basis. He felt that the difficulty of workers in travelling long distances to get payment could be obviated by making it possible for him to make withdrawals at local offices.

Sir Shri Ram suggested that establishments employing up to 200 persons and industries which were of a pioneer nature and were suffering losses should be excluded

Mr. Vasavada congratulated the Government of India for putting the question on the agenda. He refutted the argument that the workers were not taking advantage of Provident Fund Scheme where they had been introduced, and said that that might have been the case 20 or 25 years ago, but was not time at present He enquired whether the intention was to obtain an insurance cover only for the period of workers employment and that it ceased with his retirement.

The Chairman did not think that the security vanished and explained that there were the security was when the worker had completed his life time of work he would have fully paid up the premia and then the policy would mature, the other case was where it was premature it would be paid up or surrender value.

Mr. Pitkar pointed out that so long as the present rules of insurnace were in force there would be no trouble.

Mr. Shantilal Shah did not feel that group insurance could work in the manner suggested.

Mr. Vasavada felt that a time would soon come when there would have to be an old age pension scheme also. He stressed that the scheme should cover all industrial workers and that as soon as a worker was made permanent he should enter the Provident Fund Scheme, a minimum period being laid down for becoming permanent. He thought that the contribution at the rate 0-1-0 per rupee was quite adequate and that it would be possible to administer the fund centrally.

Mr. Shantilal Shah suggested that the Provident Fund Act should be extended to all Provident Funds; that there should be a clause to the effect that the Provident Fund amount could not be mortaged and that no loans should be allowed out of the Provident Fund. He thought that if some one was in need of money, his purpose should be served by co-operation credit society.

Sir Shri Ram enquired what was the difference when a worker went to a co-operative society.

Mr. Lall pointed out that the co-operative society was bound to see that the money was spent for a proper object.

Mr. Shantilal Shah suggested that the workers should be represented in equal numbers in the Board of Trustees along with the employers and that the lapsed amounts should be paid into the Workers Welfare Trust. Referring to the question of linking up insurance with provident fund, he did not feel that group insurance would serve the purpose. By giving some facts and figures he showed that Rs. 45/- per annum might bring a policy of Rs. 2,000 if the Provident Fund was linked with the Postal Insurance Scheme.

The Chairman enquired whether the Government of India had any views as to what part should be set apart for the purpose of insurance.

Mr. Joshi replied that it should be 50 or 60 per cent.

Mr. Shantilal Shah suggested that insurance should not be with the life insurance ~~co~~ companies, but it should be linked up with schemes like the Postal Insurance Scheme.

Mr. Ramanathan agreed that the Fund should be administered by the Central Organisation so as to ensure uniformity.

Mr. Dose pointed out that the Bihar Labour Committee had suggested that a provident fund scheme should be introduced and

that quite a number of industrial concerns had instituted provident funds. He agreed that a compulsory Provident Fund Scheme for industrial workers employed in registered factories, employing 100 or 50 workers, should be enforced by Central Legislation. He was of the view that every employee who had put in an attendance of not less than 200 working days in a year or for 300 working days during two consecutive years should join the fund. The rate of contribution should be 1 anna in the rupee but the workers should be given the option of contributing up to a maximum of 1/12th of their salar the employers contributing an equal amount. Referring to the peculia circumstances of the Province of Bihar where, except for the coal industry, industry was not concentrated in some particular areas, he did not consider that a Central Organisation would be useful. If, however, the employers or the workers favoured a Central Organisation, he would have no objection. He felt that provident fund was much easier administer than if the scheme was combined with insurance.

Mr. Sundaram preferred to have a Provident Fund Scheme since oldage benefit scheme smacked of doles and suggested that the Provident Fund scheme should be enforced by legislation. He agreed with Mr. Dose that the scheme should cover workers in registered factories in the first instance and suggested that a minimum qualification of one year's service might be prescribed for eligibility to become members of the Fund and that the quantum of contribution might vary from 1/8 to 1/16 of earnings. He suggested that it would be much better if the funds were administered by individual units rather than by a Central Organisation. If any workable insurance scheme could be devised he would welcome that

The Chairman enquired whether there would be no difficulty in administering the Fund/an individual basis.

Mr. Sundaram replied in the affirmative and suggested that migration should be discouraged.

Mr. P.K. Sen pointed out that the conclusions reached by the Provincial Labour Advisory Committee were that the scheme of compulsory Provident Fund should be introduced in the case of organis industry, and that a schedule should be laid down so that if a worker left his job earlier than the full period of his service, he should get the benefit proportionately. He was of the opinion that every worker who was not a casual worker should be member, no worker should be entitled to employers' contribution unless he had put in 3 to 5 years service the rates of contribution should be 1/16th of earnings and the administration of the Fund should be done by a Central Organisation. He did not favour that insurance should be done out of the Provident Fund contribution. He stressed that loans or mortgages should be prohibited except where the loan could be given by a co-operative society on the security of the Provident Fund.

The Chairman enquired what was the difference there.

Mr. Pitkar pointed out that the rate of interest charged on withdrawals from provident fund was lower than the charged by a co-operative society, and further that in the case of co-operative society the interest paid went to the share-holders, in the case of Provident Fund the interest was credited to the Workers' own account.

Thakur Kuldip N. Singh supported the proposals of the Government of India and said that the United Provinces Government was awaiting the recommendations of their Labour Enquiry Committee. He was of the opinion that the best course to follow would be to try the Provident Fund Scheme first and then to take up the Scheme for insurance. He stressed that side by side with the schemes steps would have to be taken to encourage the thrift among

the workers and agreed with Sir Shri Ram that the worker should be discouraged from withdrawing his money. Instead of giving the money in a lump sum, it should be paid in monthly or quarterly instalments and the minimum qualifying period of service for entering the fund should be fixed six months. The quantum of subscription should be 1/16th of the total earnings and not of the basic salary. The Management of the Fund should be left to the individual concern in the initial stages, with a skeleton Regional or Central Organisation to watch and supervise the whole scheme. He was of the opinion that all firms having a minimum of 200 workers on their rolls should come under the scheme.

Mr. D. Chatterjee informed that industries other than Jute had instituted voluntary Provident Funds, and that the whole question was being considered by a Tribunal set up by the Provincial Government.

Mr. Bhide would have preferred the old age pension scheme but because of the difficulties of instituting such a scheme at present, he supported the Provident Fund Scheme which might be started first to be linked up with Insurance if possible, at a later stage. He did not consider feasible Mr. Karnik's suggestion that employers' contribution should increase with the length of service of the worker.

Dr. Seth felt that an insurance scheme combined with Provident Fund Scheme would meet most of the objections but stressed that the schemes should be compulsory, centrally managed and should cover all workers, the minimum service qualifications being 3 months. The rate of contribution should be at least 0-1-0 anna in the rupee but may be raised to 0-2-0 anna and advances upto 25% of the contribution of the employee of the employers at the time of the withdrawal

Sir Ardeshir Dalal was of the view that by itself as a measure of social security provident fund was eminently desirable. He pointed out that his companies had had a provident fund for over a quarter of a centry, the total amount being about a crore of rupees. The fund had been registered for the last 10 years and its terms were more liberal than those proposed and the rate of contribution was 1/12th each by the employee and the employer. He did not however, think that a compulsory Provident fund was not practicable at this stage.

The Chairman enquired whether if a factory which ceased to make profits, should suspend the Provident Fund.

Sir Ardeshir Dalal replied that once companies was on its foot it would be allright. He argued that however desirable the proposed schemes might be, the burden on industry would have to be considered. He cited the terms of the Industrial Insurance Act and the cess levied according to the conciliation Board's award in the case of coal mines and felt that all these factors would have to be borne in mind. He felt that if the amount of attendance was going to be prescribed, there would be trouble in matters of actual payment. The condition that a colliery labourer going on unlawful strike would not get a bonus was going to be another source of trouble.

Mr. Lall enquired whether he would not like to have those restrictions.

Sir Ardeshir Dalal replied that he would certainly like to have them but was pointing out the way in which labour conditions were getting difficult in the country. He argued that any measure of social security or social amelioration was a matter of concern not only for the industry but also for the Government. He was of the opinion that if it was decided to introduce the scheme it would be utterly practicable

to administer it centrally and that it would be better to administer it by industries. To mix up the insurance scheme would be very undesirable. The Scheme should be introduced by legislation and made compulsory and only those concerns which were established on a profit making basis should be covered. He felt that with a contribution at the rate of 1 anna per rupee, it would not be possible to have both Provident Fund and Insurance Schemes and that the funds should be registered and rules should provide for withdrawals only for three specific object, namely, sickness of the person or his family, marriage, essential funeral expenses and building of a house. He did not know of any country where both Provident Fund and old age pension were operating.

Mr. Lall repeated the reasons why the scheme was proposed and pointed out that the scheme was prepared by the employers' representatives on the Board of Conciliation (Colliery disputes). Regretting the vagueness of language in the memorandum, he pointed out that it was not the intention that there should be a Central or an All-India Organisation to run the Fund but that it should be managed on a group basis. Even if there be individual schemes there would have to be other organisations, to check those.

Sir Sri Ram appealed that in case Government decided to introduce the scheme compulsorily it must be on an individual basis.

Mr. Gandhi however, stressed that it should at least be on a provincial basis and not factory wise.

Mr. Lall drew attention to paragraph 6 of the memorandum and said that the writer wanted to know whether insurance in any form could be brought in with compulsory Provident Fund and suggested that Group Insurance would be cheaper and that it would be still cheaper if the cover was limited to cause of death while in employment. He conceded that that the scheme was a complicated affair and required careful consideration.

Mr. Gandhi wanted a definite promise from Government as to when they were going to introduce the scheme.

Mr. Lall thought that another six months would give Government some idea as to what could be done.

Mr. Gandhi pointed out that the general principles were accepted at the meeting of the Industrial Committee on Textiles held in January 1948, the Standing Labour Committee also accepted them but that there was disagreement between employers and workers since the former did not want the scheme to be introduced compulsorily. He felt it was highly desirable that the Committee should give a directive to Government to prepare a Scheme, call a special meeting of the Committee or the Conference and then have the necessary legislation as otherwise there was the danger of strikes.

The Chairman said that there was general agreement that there should be a provident fund instituted but whether it should be Central or otherwise would have to be decided but as far as possible there should not be undue centralisation. There was general agreement regarding insurance scheme but the details would have to be worked out.

Item V(d) - Vocational and Guidance.

Dr. Das pointed out that the Government of India realised that it would be desirable to have vocational guidance in the form of a Recommendation rather than a Convention because of the practical difficulties in its implementation and as such the background of the draft answers to the International Labour Office Questionnaire had been that though vocational guidance was desirable, the main problem in India was that of unemployment and under-employment.

Mrs. Mukherjee felt that vocational guidance had been given rather a lukewarm reception by the Government of India. Referring to Question 10(b) she suggested that instead of mere advice, measures for health should be undertaken. With regard to Question 15, she did not favour the reservation made on behalf of mentally difficult and disabled youngpersons and stressed that the answer to Question 20(a) should be in the negative. She suggested that there should be an additional clause to Question 21 relating to vocational training for women and pointed out that that was already accepted at the Asian Regional Conference. She depreciated the hesitating policy of the Government of India in their reply to Question 24 and urged that the question of vocational training should be taken up seriously not only with reference to the International Labour Organisation Questionnaire but as part of Government labour policy.

Sir Ardeshir Dalal agreed with the Government of India answers to the questionnaire and suggested that they should be in the shape of recommendations. He urged that the point for consideration whether under the present conditions and the resources of the country vocational guidance was practicable.

The Hon'ble Mr. Bhashyam doubted whether the time had come when vocational guidance could be taken up as a comprehensive measure throughout the country. He enquired what kind of vocational guidance would be given to agriculturists and suggested that, considering the difficulties, it would be better to limit the field of operation to certain stated centres or towns. He agreed with Mrs. Mokerjee that the recommendations regarding medical examination should be followed up by suitable facilities for treatment

Shri Shantilal Shah drew attention to the question of giving unemployment benefit, subject to the condition that before a person got the benefit continually he must be compelled to avail himself of the facilities of employment, He failed to understand why Mrs. Mookherjee wanted to do away with the proviso and stressed that the answer was correct.

Mr. Sundaram agreed with Sir Ardeshir Dalal regarding implementation of the scheme specially because the workers were all illiterate. He felt that people would take advantage of the scheme only after they were educated.

Lall pointed out that most of the remarks of Mrs. Mookherjee were due to missapprehension and that probably she was thinking of vocational training whereas the question dealt with vocational guidance. He drew attention to Question 2 in which the International Labour Office themselves had stated that the utmost they could hope for in the conditions pervailing was a recommendation. He explained the implications of a recommendation. He agreed with Mrs. Mookherjee in regard to Question 10(b). Referring to Question 20(a) he explained that so long as the system of employment exchange was not fully developed it was quite impossible on administrative grounds to have unemployment benefits and as such the question for India was poverty and hypothetical. He pointed out that since the I.L.O. made as discrimination between male and female workmen, women, were not included as a separate category in question 21.

Mr. Mukherji argued that it was not a question of equality but of providing specialised vocational guidance and that in the Questionnaire vocational guidance and vocational training had been mixed up and as such vocational training and vocational guidance to women should be put separately.

Mr. Lall regretted the typing error in the memorandum where in the fifth line vocational "training" was put instead of vocational "guidance". He explained that since women came under (i), (ii) and (iii) of Question 21, there appeared to be no need for a special

clause for women.

V. (C) - COLLECTIVE AGREEMENTS

Mr. Karnik drew attention to Question 8 and felt that if the answer was allowed to stand, the country's position would be that the system of closed shop would not be tolerated. He was of the opinion that it would be going too far to insist upon any provision like the one suggested in the reply and felt that the answer should be in the affirmative.

Thakur Kuldip N. Singh suggested that there should be a proviso to Question 3 as "except where Government is the employer", that the words "State should provide for conditions ensuring the running of trade-unionism on healthy lines with a view to securing public welfare and law and order" be added to the reply to Question 4 that in regard to Question 1 in Questionnaire IV a Recommendation would be more appropriate, that the words "subject to the condition that Government is satisfied that the concern is financially in a position to bear the cost of the arrangements mentioned in 12(a) and 12(b)" be added to the reply to Question 12 and that works Committees should take up arbitration and conciliation in the initial stage in respect of Question 12.

Mr. Vasavada referring to Question 8 suggested that whenever there was a representative union or a trade union with a membership of more than 50% workers in an industry, the principle of closed shop could be adopted. Drawing attention to the remarks of the previous speaker on Question 4, he suggested that Government should recognise those trade unions which had rules to promote a healthy trade union movement and that law and order should not be enforced through trade unions.

Sir Ardesher Dalal pointed out that since the close-shop was a highly controversial questions, it would be better to give a non-committal answer instead of saying that it would intringe on the workers' individual freedom and so on.

Mr. Bhashyam agreed with Sir Ardeshir Dalal and pointed out that to say that any employer had necessarily to be a member of some union would be tantamount to infringing on his liberty.

The Chairman thought that Sir Ardeshir Dalal did not want to go as far as that.

Sir Ardeshir Dalal explained that the I.L.O. did not raise the question whether a close-shop was desirable or undesirable.

Mr. Bhashyam referred to the question and said that a definite answer had to be given either in the negative or in the affirmative. He suggested that the answers to Question 4(a) and (b) should be in the affirmative and negative respectively, since he felt that selection by secret ballot would be rather difficult and that it would be better to leave it to the workers' organisations to nominate their personnel.

Mr. Vasavada greed with Mr. Bhashyam.

Mr. Pitkar drew attention to Question 8 dealing with union security clauses and pointed out that the A.I.T.Union Congress view point was that the worker should be a member of the union and then only could he be a worker. He did not think that the provision would infringe on the workers' individual freedom. With regard to the clause dealing with unions run by outsiders, he took exception to use of the word the "outsiders". Referring to the reply to Question 13, he took strong exception to the fact that the regulations should not apply to employments in the armed and police forces of the Government and pointed

out that there was a division of the police force into two compartments and one could have a union/at present. even

The Chairman asked for those rules.

Mr. Gandhi replied that the police must be allowed to form their own union and that the rules asked for could be given later on. Referring to question 4 of Questionnaire III, Mr. Pitkar felt that since the whole idea of having a conciliation was to avoid delay in removing the state grievances there should be a fixed time limit for every stage. Referring to Question 3 on page 9 he suggested that the scope should be extended to undertakings employing 50 or 60 more persons instead of 100. With regard to Question 8, page 10, he suggested that the co-operation of experts should not be from outside but from the trade union to which a particular concern belonged.

The Chairman pointed out that the Government of India reply went further and enquired whether there was any objection to that.

Mr. Gandhi made it clear that the person need not necessarily be connected with a Trade Union but could be nominated by it. Mr. Joglekar's suggestion that to the answer the words "it is also desirable" be added was accepted by Mr. Lall.

Mr. Joglekar stressed that both in regard to Production Committees and Works Committees the workers representatives should have some sort of right to share in the administrative supervision matters and that there should be the right of recur of people in case they did not behave properly.

Mr. Sundaram suggested that in answer to Question (10(11) it should be added that Government should have power to extend the period of operation of the settlements or awards as otherwise after the prescribed periods disputes were likely to recover.

Sir Ardeshir Dalal drew attention to the administrative ~~difficulties~~ difficulties that arise if in every appointment the works committees were to give an opinion and suggested that it would be better to give a very qualified answer to Question 10(b) since that was a matter ~~which~~ which ought to be reserved for further consideration in connection with the functions of the Works Committees. As regards Question 12(c) he pointed out the danger of binding the Government of India to a Convention with a very broad and vague statement like "general conduct of the undertaking". He suggested that Question 12(c) should be reserved for consideration when the functions of works committees would be discussed.

Mr. David (Bombay) informed what the Bombay Government was doing in respect of Question 9. With regard to Questions 4(a) and (b), he suggested that the answers should be in the negative and affirmative respectively. Referring to the question of secret ballot, he drew attention to the provisions made in the Bombay Industrial Relations Act and the Government of India Industrial Disputes Act and felt that where unions were sufficiently representative there was no reason why the nomination should not be by the unions.

Sir Ardeshir Dalal agreed with the Bombay Government

Mr. Karnik felt that the Government of India's reply wasmore in consonance with the democratic principles. Than what was suggested ~~f~~ by the Bombay Government and accepted by Messrs. Dalal and Bhashyam. He also felt that answer to Question 8 was more progressive and suggested that Rule 48 of the Industrial Disputes Act should be suitably amended.

Mr. Joglekar felt that Government of India's answer to Question 4 was more correct, more representative and more conducive in the interest of the workers.

The Chairman pointed out that that might have to be changed because under the Bombay Industrial Relations Act when the provision

was before the Committee, labour agreed that nomination of members should rest in the hands of the union.

Mr. Joglekar replied that labour should not be split up.

The Chairman thought that if they were also the function apart from the union that would mean disruption.

Mr. Joglekar replied in the negative.

Mr. Bhashyam felt that administratively it would be much easier to have direct nomination.

Mr. Vasavada stressed that if a trade union should have collective bargaining it was in the fitness of things that wherever there was a representative trade union it should have its representatives on the Works Committees. Since members of the Trade Unions were only elected he did not agree with Mr. Joglekar that there should be election to the Works Committee since that procedure would creat split in the labour movement and complications in the industry.

Mr. Dravid expressed the opinion that the trade union and the Works Committees had to be linked together and that there would be practical difficulties in a secret ballot.

Mr. Joglekar still maintained that a works Committee elected by the process of secret ballot would be for more congenial and realistical working than a nominated Works Committee.

Mr. Karnik felt that the secret ballot method was/best thing for training workers in democracy.

The Chairman pointed out that under the Bombay Industrial Relations Act great care was taken to avoid difficulties and it was decided with the approval of the working class representatives that Works Committee should act as instruments of the trade Union and not as rival agents. He did not think anything had happened to change that position.

Mr. Lall referred to Questions 6 and 7 and pointed out the difficulty of giving a categorical answer to them. Referring to the suggestion that the reply to Question 4(a) and 4(b) should be reversed, he pointed out the difficulty of the colliery employers in recognizing the rival trade unions.

Mr. Vasavada felt that the answers would perpetuate the rivalry among trade unions.

Mr. Lall enquired how would that apply to coal fields

Sir Ardeshir Dalal thought it would be better to hold elections and the employers should recognise only those unions which would get the majority.

Mr. Lall pointed out that the union getting the majority today might go out of power soon and as such Government tried to suggest a compromise and would insist on a secret ballot unless there was an agreed nomination by one or more representative organisations of workers.

The Chairman pointed out that the Bombay Act excluded all other organisations.

Mr. Vasavada enquired of the need for agreement with other employers if a representative trade union already existed.

Shri Shantilal Shah pointed out that a representative union must/at least 15 per cent of the workers as members and / have must be paying a minimum subscription and as such the question of a land slide overnight could not arise.

The Hon'ble Shri Bhashyam enquired as to why for the sake of

the collieries the whole country should be asked to go through the elections and suggested that one union considered as representative could be selected.

Mr. Lall pointed out that the difficulty was that in dealing with conventions there could not be any exceptions and would have to be chosen to cover both Bombay and the coalfields.

The Chairman pointed out that Mr. Lall's suggestion did not cover Bombay.

Mr. Lall agreed to add that "if there was a recognised union" but enquired what would happen if there was no such union.

The Chairman replied that recognition could be given to the largest union.

Mr. Joglekar reiterated that the secret ballot election would be the most appropriate but if there was two or three unions which had agreed on the principle of actual functioning and an agreed works committee was suggested by them, then the secret ballot may be done away with.

Mr. Vasavada argued that if the Works Committees were functioning separately in each unit it would be difficult to standardise conditions of work.

Mr. Lall felt that the drafting of question 10(b) was poor but thought it related to policy about engagement and dismissal.

Mr. Gandhi stressed that the question of dismissal of every worker should come before the Works Committee

Mr. Lall agreed with Mr. Dallal that so far as engagement was concerned it should be left over till the functions of works Committee were considered. Referring to Question 12(c) and 12(e), he felt that these might come before the production committees and not the Works Committees.

Sir Ardeshir Dalal remarked that it would be going too far to bring in every question of the general undertaking to the Works Committees.

ITEM V(E) REVISION OF CONVENTION CONCERNING THE NIGHT WORK OF WOMEN AND YOUNG PERSONS.

Mr. Elkins agreed that it was not undesirable that children and young persons and women should be called upon to work during night and supported the revised text.

Mr. Karnik suggested that the proviso relating to continuous process factories be dropped.

Thakur Kuldip Singh referred to article 7 (on page 6 of the Memorandum) and suggested that there need be no exception regarding age-limit but in case it was considered inevitable to have it, it should be limited to 2 to 5 years. The modifications suggested with regard to article 9 were thought by him to be excessive.

The Hon'ble Mr. Bhashyam felt that it was cruel to allow children above 13 but below 15 to work in those factories at night and in the reply to I.L.O. it might be stressed that no country should be exempted.

Mrs. Mukherjee suggested that the age of child labour should be raised to 15 and recommended to have it in the Constitution, that no child below 15 should work. She also suggested that in para 5 of Article 9, instead of seventeen years, 18 years should be put down. She stressed that under Article 1, clause 3, the word "Wards" should be defined. In article 3, she suggested the addition of the words "and conditions" after the words "define the work" and stressed

that the proposed special provisions (on page 6) should be withdrawn after about a year.

Shri Shantilal Shah agreed with Mrs. Mookerjee that the age of children should be raised to 15

Mr. Joglekar suggested that the provisions about child labour made applicable in regard to "electric power, clocks, buildings and other public works, etc. should be made more clear.

Mr. Sen suggested that there should be certifying Surgeons certifying the persons as fit for employment at night.

Mr. Lall thanked Mrs. Mookerjee for her valuable suggestions and agreed with them. He felt that under Article 9, the age could be raised to 16 but pointed out that in view of non-receipt of the replied of the Provincial Governments, the Government of India could not move boldly in the matter.

The Chairman opened discussion on Convention No. 4 concerning the night work of women.

Mrs. Mukherjee stressed that before Article 5 could be put into operation there should be certain conditions before a situation could be justified as an emergency and drew attention to the suggestion made by the American Government. She suggested that permits might be given to certain concerns undergoing a serious emergency, that a condition of serious emergency might be justified if it was admitted to be so by the Legislature, and that when a suspension had been brought about a report should be sent to the I.L.O. As regards Article 11, she suggested the addition of the words "and other industrial establishments that may be put under this clause by the Government of India later on".

Sir Ardeshir Dalal wanted clarification of Article 5.

Mr. Lall explained that the Government of India representative pointed out that under the Constitution of the I.L.O. a special clause could be provided for countries where labour legislation was backward. The Convention therefore provided that in India the provisions of the Convention should be applicable to factories on but the Government of India could apply it progressively to other industries.

Sir Ardeshir Dalal enquired whether it was compulsory to apply it to factories and mines.

Mr. Lall replied in the affirmative.

Mr. Joglekar objected in principle to the employment of women for work at night.

Shri Shantilal Shah characterised night work as such as entirely unnatural and inhuman. In some continuous process factories where night work was necessary women and children should never be employed and that in the case of women there should be no suspension of the regulations of work even in cases of emergency. He argued that if women could not be employed in the factories during night. They should not be so employed on undertakings engaged in building, civil engineering work, etc.

Mr. Lall was glad that there was opposition to all night work including night work of men but pointed out that that was not practicable. Referring to Article 1, he pointed out that the definition of mines was wider than that of factories. Referring to Article 5 he felt that it would be difficult to say that there would be no special emergency which would justify employment of women at night. He agreed with Mrs. Mookerjee that when women were employed at night, the matter should be reported to the I.L.O. immediately. He explained that the provisions of Article 11 could be applied to Factories and Mines only.

Decasualisation of labour in main industries. The Chairman explained that the scheme orginated in the Province of Bombay and had a fairly long history and that the question had been considered by several Committees in the past particularly in the textile industry but it did not go for enough. The principal object of the scheme were to secure the rationalisation of the recruitment in the textile industry, increase efficiency and production by reducing labour turnover, eliminate bribary and corruption and favouritism, encourage the system of training of workers with a view to ensuring a steady supply of efficient workers. He pointed out that the scheme was considered at a meeting of the Provincial Labour Advisory Board held in Bombay and that a resolution was passed in favour of adoption of the scheme and giving it a shape through a Committee. He believed that the scheme would be welcomed by other parts of the country and by other industries and dwelt upon the advantages which were likely to accrue from the scheme both for the workers and the employers as also for the community.

Messrs. Karnik and Gandhi wanted to have some information regarding Government of India's Scheme of decasualisation of dock labour so that the Provincial Governments could be in a position to decide whether the proposed scheme or the Government of India's scheme was better.

The Chairman pointed out that the draft bill regarding decasualisation of dock labour was there.

Mr. Karnik pointed out that the Bill only allowed the Government of India to provide a scheme and wanted to know whether a scheme had been prepared and if so what its features were.

Mr. Lall replied that the Bill had been passed only recently and the Provincial Governments were being consulted and that the scheme had not been prepared. He asked Mr. Joshi to give an idea of the work of the Committee appointed for the purpose.

Mr. S.C. Joshi said that the Government of India appointed the Committee to prepare the scheme the object of which was to regularise the employment of workers employed by the stevedors in Bombay and as such the Committees terms of reference were very restricted, but the idea had been to see if a general scheme could be provided which would be useful or which could be introduced in all the ports of India and for all classes and descriptions of dock workers. The personnel of the Committee consisted of representatives of the Dock Workers' Union, the members being only workers employed by the Bombay Stevedors and the Bombay Stevadors Association, the Chairman of the Bombay Port Trust and a representative of Government of India. He mentioned the various questions gone into by the Committee and pointed out the extremely casual nature of the work in docks particularly during the slack season where work was not availabl for more 10 to 15 days in the month. The idea, therefore, was how to secure full employment or as such employment as possible to all the workers and distribute the work accordingly and & so see that for the days on which they did not get work they should be paid something provided they attended. He pointed out that all the relevant questions regarding the nature and the method of employment of the dockworkers had been considered by the Committee, a decision had been reached and that the drafting of the scheme and the Report was under consideration. The question whether the scheme should be restricted only to the workers of the Bombay Stevadores or be extended to other dock workers as well would have to be examined. He then explained the system of keeping them separate registers - the first for those who were employed on a monthly basis; the second would contain those to whom a minimum guarantee or work be given and the third for such worker who would get work as and when available. He also elaborated the method of payment, etc. All those on the three registers would be considered to be employees of a particular body who would distribute the workers by rotation to the different employers who would pay the wages and other allowances, plus the expenses of the scheme to that

Central Employment Body. He concluded by saying that the scheme had nothing in common with the Bombay Government's Scheme.

The Chairman stated that in Bombay all parties had agreed regarding the scheme and that there was also agreement to fix up a Tripartitie arrangement for the administration of the scheme. He gave a brief description of the progress of the scheme in Bombay and explained that the Badli control system was a very nice intermediate device for facilitating the work of the industry as well as preventing any excessive burden on the exchange. In reply to Sir Shri Ram's query, he explained that the scheme was agreed to by the employers in Bombay on a voluntary basis and that it applied to textiles only.

Sir Shri Ram argued that conditions in Bombay were 50 years old but if the Bombay millowners were in the hands of their jobbers the same situation did not hold good in any other place. He suggested that the jobbers should be done away with and expressed surprise to read of illegal gratification in 1948. Referring to Chairman's suggestion that the scheme would reduce the surplus in times of pressure, he explained that there were three periods in the course of a year when there were deficits or shortages of workers, one being the malaria season, another the marriage season and the other harvesting season and felt that if the number of workers was reduced, during these periods, the machines would remain idle. He criticised the policy of maintaining a list and of sending the workers to the various employers, the workers or the employers having no choice in the matter. He felt that the steps proposed to be taken would lead to loss of contact between the employee and the employer. He suggested that the Bombay scheme should not be forced upon Northern India. He did not favour the idea that a Manager of the Exchange would decide which concerns should train the workers though the concerns would not have any voice in keeping the trained people. He concluded by appealing that the scheme should not be proceeded with simply because Bombay had done something. He very strongly opposed the idea of the employers having to pay for peons who were not actually in their employ.

Mr. Gandhi while generally welcoming the scheme argued that it would be a misnomer to call it a scheme of decasualisation since such a scheme had three requisites. He pointed out that one of the major weaknesses of the scheme was that it did not provide for a waiting allowance. He stressed that the badli control system in Bombay should be abolished but may be given a trial elsewhere at the initial stage and argued that there should be a common pool of workers. He expressed the opinion that the scheme should be compulsory so that everywhere the workers could get the same advantage. He objected to the power given to Government to pick and choose the workers' representatives on the Committee. Referring to Appendix I, he suggested that information regarding a man's religion and caste need not be there, there need be no insistence on photographs at the initial stage and that some provision should be made to see to it that the number of workers attached to one particular mill got their working turn.

The Chairman explained that the system of ration was there.

Mr. Gandhi stressed that certain minimum guarantee of work should also be provided for.

Mr. Sen welcoming the scheme pointed out the special dfficulties of the textile industry in the C.P. and agreed that the employment exchange was the only possible organisation through which decasualisation could be secured. He however stressed that the employment exchange will have to be worked very efficiently. He agreed with Sir Shri Ram that in up country mills the question of jobbers had to be done away with. He depreciated the suggestion that there should be a system of waiting allowance. He did not favour compulsory introduction of the scheme.

Mr. Bose pointed out that problem of absenteeism during the harvest season and marriage season was more important in Bihar than of casual labour and that there were no evils of jobber system. He suggested that the scheme might be made applicable to the Coal mining labour in the Jharia coalfields. Although the problems of casual labour was obtaining at Jamshedpur, he did not think that the Bombay Scheme could be applied there in its entirely as it would be difficult to work the employment exchange there.

Mr. Sundaram explained that in Madras there was no large volume of surplus labour but the system of jobbers was obtaining in certain factories. He pointed out that labour did not want to have the badli system.

Mr. Vasavada agreed to the introduction of the scheme as early as possible. He explained that the scheme did not promise any employer that absenteeism on account of malaria, marriages, etc. would be remedied by it. He felt that the scheme would eliminate bribary. He regretted that he did not see anywhere in the country any employer taking keen interest in training the workers and stressed that Government must stop in. He hoped that although there was no provision for waiting allowance a time would be reached when it would be possible to do so. He did not favour total abolition of the badli system and argued that the selection of permanent workers from among those on the badli pool was a better method. He did not favour the employment exchange and pleaded that it should be up/the workers' / to organisation to arrive at some agreement with the employer and see that badlis were given work by rotation. He refuted Mr. Gandhi's remark that workers did not want to be photographed. He said that the recruitment in Bihar was left entirely to Sirdars and as such the present scheme would considerably improve matters. He suggested that the scheme should be adopted all over the country.

Mr. Bhashyam agreed with Mr. Gandhi that those people who register themselves with the employment exchange should be paid some allowance and considered the scheme as a starting point for the adopt... of an unemployment scheme. He refuted Sir Shri Ram's remark that the adoption of the scheme would take away the contact between the employer and the worker and stressed that the case would be the other way about.

He agreed that the clause about religion and caste must go and stressed that photographs should remain there. He felt that the problem of absenteeism and shortage of labour could be solved if the people on the waiting list were asked to come to the office at a particular hour. He strongly supported the scheme.

Sir Ardeshir Dalal pointed out that the Bombay Millowners' Association did not favour the scheme and as such he was surprised when the Chairman said that it was approved by all.

The Chairman said that the decision was reached after the Provincial Labour Advisory Board meeting.

Sir Ardeshir Dalal pointed out that it was accepted only on a voluntary basis. He felt that although training may be a good thing, the waiting allowance was a burden imposed upon the industry. He argued that the Bombay scheme would not be suitable for all other provinces. He refuted Mr. Vasavada's remarks that in Bihar the Tatas spent lot of money to train labour. He concluded by saying that if the scheme had been accepted by the Bombay Millowners' Association, it should be tried there first and if it was found to be successful then it could be extended to other provinces.

The Chairman felt that the reaction of the employers to any scheme was not so much about the interest value of it but the burdens and liabilities it would involve on them. He pointed out that the fi left for Government by private enterprise would not have been large if private enterprise had run things in a better manner. He then related his experience of dealing with the employers. He said that although Sir Shri Ram felt that no illegal gratification was paid, his own experience was otherwise, he was of the opinion that the proposed scheme would bring down turn over. He was not convinced by the argument that contact with the jobber was not very desirable and contact with the officers might be healthier and stressed that instead of increasing the shortage the scheme with a little better arrangement would be able to attract people. The scheme was an experiment and it should be on a voluntary basis but the cooperation of the employers was needed.

Item IX - IMPLEMENTATION OF INDUSTRIAL TRUCE RESOLUTION.

Mr. Lall pointed out that his visit to the coalfields after return from Geneva convinced him that unless there was something like an industrial truce the country was surely leading for a disaster, especially because he felt that most of the 71 strike notices were no genuine. The Resolution could be split up into two parts - the/part laid down certain objectives and the second dealt with the methods and means by which those objectives could be achieved. The machinery by which the objectives could be secured was also laid down. Referring to the criticisms of the Resolution to the effect that it was vogue, he said that it was clear that it would not be possible to implement it without the co-operation of both sides and that by that co-operation vague terms could be given a more definite

agreed with the argument that a system of profit-sharing could not be forced on an unwilling industry but pointed out that the Resolution was adopted by the representatives of both sides and as such Government had no option but to assume that there was a substantial measure of agreement between the two sides which would justify the hope that there would be co-operation in giving effect to the Resolution. Referring to the contention that the introduction of profit-sharing would really subsidise incompetence and prevent development of the industry in technical recruitment due to decreasing the funds, he made it clear that Government would not propose anything which would prevent industrial development and stressed that the scheme did provide for certain reserves and as such would not prevent industrial development. He pointed out that immediately after the Resolution was passed the Provincial Governments were requested to give their views on the tentative proposals after the receipt of which the scheme was prepared and placed before the Committee. He answered the House that given co-operation Government would move very quickly. He was glad that some of the Provincial Governments had considered the Resolution and come to some conclusions and particularly commended the Bombay document.

Sir Shri Ram expressed his disappointment because after the Resolution was passed special efforts had to be made by local authorities to avert strikes in Bombay and Calcutta. Referring to several strikes, he urged that it was Government's duty not to deal softly with those, whether employers or employees, who stood in the way of production. He was of the opinion that a beginning should be made with the Production Committees and after a little experience the Fair Wages Committee should be set up. He felt that the question of return of capital and profit sharing could not be discussed in either the Standing Labour Committee or a Conference but that it should be considered either by the Cabinet as a whole or in any case by the Ministers for Industry, Finance and

Labour. He stressed that the case of small share-holders would have to be borne in mind.

The Hon'ble Mr. Bhashyam felt that industrial tru could come only if the labour is assured of his employment security of tenure, treatment, fir wages, reasonable work load, housing accommodation and profit sharing and also got properly educated. He suggested that the wages and work-load should be tackled together and that the Works Committee and the Wages Board should either be one Committee or they must work in coordination with each other. He explained how the housing question was being tackled in Mysore and pointed out that the Bill was ready for the State Legislature. He also explained the Mysore plan of housing. Referring to the disputes he pointed out that the Mysore Government had made a straight stringent provision in their Labour Act for bringing about some kind of conciliation or negotiation at a very early date and stressed that there should be a time limit on the Conciliation and arbitration proceedings and thought that the Works Committees would have to be depended upon a great deal for that. He also felt that Government should have power to take over a concern, if necessary. As regards profit sharing, he suggested the following formula:

Deduct working expenses, depreciation charges, interest on capital, then keep the reserve and what was left over should be equally divided between labour and capital. He also suggested the setting up of Research Bureaux for training students in labour leadership.

Mr. Karnik pointed out that his organisation had accepted the principle of industrial true and reported the contention that labour was the only party responsible for the fall in production. He argued that it was only when the employers and the Government implemented the Resolution that conditions would be created in which labour organisations or leaders could to to the workers and persuade them for not resorting to strike or to put in better efforts for increasing production. He regretted that neither the Government nor the employers had created those conditions and felt that if the feeling of urgency shown in December last had been maintained Government would have immediately taken steps to set up wage Boards, Production Committees and Works Committees. Referring to the strikes in Bombay Port Trusts and B.B.&.C.I.Railway, he agreed that more energetic steps by the authorities could have averted the strikes. He also drew attention to the discontent among labour due to the anomolies arising out of the implementation of the Pay Commission's Report or the delay about giving effect to certain recommendations. He disagreed with Sir Shri Ram and stressed that the Standing Labour Committee was quite competent to consider the question of fair return on capital and wanted that immediate steps should be taken to set up Wage Boards.

Sir Ardeshir Dalal enquired whether the Committee was to arrive at conclusions on these matters.

The Chairman remarked it was open to the Committee to submit its views regarding Wages, etc. He said that though the question like profit sharing and the fair return on capital were outside the scope of the Committee and were subjects for Cabinet discussions but the members of the Committee could express their views on these points. The scheme was there and the things remaining to be done were housing and devising of a formula regarding distribution of profits.

Sir Ardeshir Dalal pointed out that the principle on which remuneration of capital fair wages or the sharing of profits was to be determined were to be determined by the machinery proposed to be set up by the Government for this purpose, but Shri Ram went further and felt that even that machinery would not be competent to decide that and that the matter should be decided by the Ministry of

Industry and Supply and Finance.

Mr. Karnik suggested that the Government should take immediate steps to set up the required machinery which was accepted. He made it clear that they would try to prevent strikes and bring about a settlement of disputes by amicable means. He suggested that works parties should be set up to study the causes of the Fall in Production and to submit a report in 2 months and that Wage Boards and Work Committees should be set up immediately. There should be a Wage Board for each industry and general principles for the guidance of the Wage Boards should be laid down by the Government. He assured full co-operation on behalf of his association.

The Chairman asked Sir Ardeshir Dalal to clarify whether general principles should be laid down by the proposed machinery or by the Government.

Sir Ardeshir Dalal thought that the machinery at the top should be advisory and not an executive body and as such they would lay down all the general principles and the final decision would be that of the Government.

Mr. Lall said Sir Ardeshir's views were correct.

In reply to Mr. K.N. Singh's query:

Mr. S.C. Joshi stated that the Central Committee would deal with the major industries.

Dr. Seth suggested that the functions of the Works Committees and Production Committees should be clarified.

Mr. Bose explained the action taken by the Bihar Government in that aspect and pointed out that a Provincial Labour Advisory Board had been set up. He further stated that the Truce Resolution was discussed by the Advisory Board and read out the following decisions reached by the Board:-

(1) Each factory will set up a strong works committee consisting of representatives of employers and labour in equal numbers and will settle all differences and disputes by mutual discussion;

(2) Each factory will set up a unit production committee consisting of equal numbers of employers and employees possessing technical knowledge as far as possible to concentrate on the increase of production and on the removal of difficulties in the way of increased production.

(3) For each major industry or industrial area for each group of minor industries in Bihar there should be a Standing conciliation board including equal number of representatives of employers and employees.

(4) Conciliators and adjudicators should be appointed from among those with experience of industries and industrial labour.

(5) The final award obtained through negotiation or as approved and signed by both the parties or the adjudicators appointed under the Industrial Disputes Act shall be implemented by the parties without undue delay.

(6) The Labour Department should be separate from the revenue department and the staff of the labour Department should be strengthened adequately.

(7) A Sub Committee of seven with 3 representatives of employers and 3 representatives of employees should work out proposals in the form of payment of bonus to labour as may serve as incentive to production.

The Chairman referring to Sir Ardeshir Dalal's opinion about the function of the proposed machinery stated that he had an opportunity of a reference to the Minister for Labour on that point and felt that the two views could be reconciled. He explained that it was not necessarily meant that that machinery would deal with all those points finally and fully and that certain gaps would have to be filled in.

Mr. Joglekar referred to the A.I.T.U.C. Resolution on the question and re-iterated that unless the profit-motive of production was changed and reorientation brought in about it would not be possible to reach the goal. He stressed that the main idea of production would have to be production for the use of the society and supplying the needs of the community and further that like production, distribution would have to be made on a planned basis. Though the Government had been inactive for assuring fair wages and fair conditions of life to workers, he pointed out that considerable progress had been made during the last few months in respect of fair return for capital. He drew attention to the Government's industrial policy and said that the press comments had characterised it as a character of exploitation by capitalists. He felt that while everything was guaranteed to the employers, the workers and the consumers had not been given sufficient ground for confidence and satisfaction. If production had to be maitained, the processes of production and the manner and method of arrangement would have to come under consideration and criticism of the workers as otherwise the workers would not have the required confidence that their efforts towards production would be used in the right direction. He pointed out that inspite of all efforts strikes were taking place and adjudication and arbitration awards were not being implemented by the industries and even by the Central Government, e.g. the C.P.W.D. Wherever the industrial awards are not implemented the owners awards are not chastised at all.

Mr. Shantial Shah pointed out that in Bombay, an employer was imprisoned.

Mr. Lall said similar was the case in the U.P.

Mr. Joglekar stressed that the feeling that the workers would get a reciprocal deal would have to be created in the minds of the workers. He criticised the decontrol policy of the Government and felt that that policy was responsible for agitation and dissatisfaction among the workers everywhere. He regretted that in guaranteeing price increases no consultation was held with labour and that on the Committee on decontrol labour was not represented. He strongly criticised the argument that the rise in prices would not matter so long as the Government would have its taxes and the workers would also get a share of the profit and felt that that was an illusion since, as pointed out by Sir Ardeshir Dalal, the workers would/have a night to look into the /not accounts. He stressed that workers would prefer better guaranteed living conditions to the system of the illusory profit sharing within the framework of the capitalistic economy. He felt that the labelling of Trade Unions as Communities and arresting their members shook the confidence of the workers and if that policy was pursued the entire Industrial truce would founder against that rock. He argued that the workers should be given a guarantee that until final decisions are reached. The standards laid down by the Pay Commission would be recognised as the living standard. He suggested that Government should make a declaration freezing all profits, and call the workers in active association for working in Wages Boards and Advisory Committees. He made it clear that the machinery could work only if workers were convinced that their representatives had the fullest right to investigate into all social affairs and they should also be properly associated with the Works Committees. Referring to the suggestion that the personal of the Works Committees and Production Committees might be the same but that they should meet and function separately,

he pointed out that in that case the workers would feel a grievance that in the Production Committees they were being pressed to cooperate for greater production while in the Works Committees their problems were being shelved and as such the work of the two Committees should not be divided. He stressed that all retrenchment should be stopped forthwith and that nothing should be done prematurely about the grain compensation allowance by Railway workers. He deplored the attitude of Government in allowing themselves to be dragged into creating rival working class organisations and stressed that the workers should speak with one voice.

The Chairman announced that if any section of the labour movement did not accept the resolution they had no partin any further deliberation

Mr. Joglekar said that he had made the constructive suggestions for the proper implementation of the scheme, and that about housing his friend would speak.

Sir Ardeshir Dalal said that in actual practice, except perhaps the I.N.T.U.C. and the Indian Federation of Labour, he very much doubted if the other organisations had attempted to achieve the truce,. Referrin to the contention that there could not be a truce because the conditions for bringing about a truce had not been created, he said that the employers had accepted the resolution in the spirit that truce was a cessation of hostilities pending the completion of the treaty. He was afraid that labour did not take up in that spirit. He expressed the opinion that the reason was that the trade unions instead of confining themselves to the economic policy of the Government were out more or less for what could be regarded as power politics and as such the position of the employers had become extremely difficult. He also pointed out that i the collieries strikes were occurring on the flimsiest grounds and also conflicting awards were being given. While welcoming the proposal for appointing central Tribunals, he enquired how those Tribunals would deal with disputes coming under the Provincial sphere. He suggested that an arrangement might be made to associate assessees with the working of the Tribunals. He refuted Mr. Joglekar's contention about non-implementa tion of awards and pointed out that awards were being flouted by the labourers. He also felt that Mr. Joglekar's view that unless there was a social and economic system under which production was carried out not for profit but for the use of the community all those troubles would continu was not the correct attitude. Referring to the fall in production, he pointed out that inspite of the fact that a regular contract had been signed between his Association and the representatives of the Union, matters did not improve. He felt that the main reason for the fall in production was the attitude taken up by labour inspite of all that was being done for them. He expressed the opinion that the machinery suggeste by the Government of India was very complicated. He agreed with Sir Shri Ram and insisted that if the Government of India insisted upon following the line suggested in their memorandum, they should care to see that representatives of the Ministries of Industry and Supply and Finance were associated with the body prepared to be set up. He hoped that proper representatives to the industry would be given on that body. He did not think that a simple formula for the determination of fair return on capital would meet the purpose because if capital were to get only a ficed percentage in a particular year when there were profits what woul happen when there would be no profits. He stressed that while determin- ing fair wages, the capacity of the industry to bear the wages would have to be carefully borne in mind. Questions relating to depreciation and reserves would also have to be taken into consideration. He did not think that labour was partially interested in profit sharing and drawing attention to the profit-sharing scheme started by the Tatas in 1936-37. He pointed out that his experience was not uniformaly happy since labour had taken for granted that every year they would get something regardless of what the profits for a particular year were. He suggested that the proposed committee should consider how the profit sharing schemes would be worked out and with what it should be associated. He felt that Government's intention of having the profit sharing scheme on a graduated scale based on production was landable. He felt that if works committees were given some limited functions and if their growth was gradual they would work properly otherwise there would be friction.

He had no objection to the Production Committees and the Works Committees being the same but his personal view was that the Production Committees should be distinct from the Works Committees. He explained the working of the housing scheme of the Tatas and stressed that considering the heavy burden on the industry it might not be possible for the majority of the establishments unless the burden wasshared by the Government and Labour along with the industry. Referring to Mr. Joglekar's suggestion that a proper atmosphere would have to be created, he argued that it was a matter of regret that inspite of the sacrifices made by the employers the response from labour had been very poor. He concluded by appealing for mutual, goodwill and harmony for the prosperity and happiness of the country.

Mr. Sundaram referred to the labour situation in Coimbatore and regretted that the Truce Resolution had not really worked in the Province of Madras. Referring to theaward of the Industrial Tribunal for cotton textiles, he said that Labour in Coimbatore refused to accept it which he felt, was only due to the existence of rival labour groups. He stressed that the Industrial Disputes Act should be so amended as to provide for adequate punishment for non-implementation of the awards and also some machinery by which wages or money or all dues which were awarded could be recovered. Government should also have the power to extend the period of the award. Greater stress should be laid on conciliation Officers. He drew attention to the housing scheme of the Harvey Mills, Madura and suggested that other employers should follow them.

Mr. Vasavada referred to the Resolution passed by the I.N.T.U.C. in March 1948 but regretted to find that the position of the consumers in the country had remained the same. He agreed with Mr. Karnik that some of the items included in the Resolution could not be implemented by the workers alone. Referring to a meeting held in Bombay he pointed out that the President of the A .I.T.U.C. was opposed to any truce. He regretted that the Government of India did not take any steps to implement the Resolution. He urged that whatever Committee Government might appoint, that Committee would have to take into consideration the views of the parties concerned. He stressed that Government should declare within a very short time what they consider to be a fair wage, a fair return on capital, etc. He expressed the opinion that the first charge on the revenues of the industry should be the living wage and that the worker had earned the living wage, there should not be any profit. He stressed that the Government of India should issue directives to the Provincial Governments and should give them guidance in the matter by legislation which could be decided at the next Conference of the Labour Ministers. He felt that instead of merely leaving the question of housing to the employers, the Government should step in and wanted to know what arrangement Government had made to build the houses. Considering that a Truce presupposed that there were parties to the Truce, that there was difference of opinion and that settlement would take time, he failed to understand the attitude taken up by Mr. Joglekar. He criticised Mr. Joglekar's allegation that the Government of India was setting up rival trade union organisations as unfair.

Mr. Gandhi pointed out that the word 'truce' was not to be found anywhere in the Resolution. While agreeing that the members of the All-India Trade Union Congress attending the Industries Conference in their individual capacity had accepted the Resolution, he pointed out that the fact remained that Government were the first culprits who had broken the Truce Resolution since they had embarked on a policy of decontrol of cloth and food grains. He pointed out that although plans after plans on housing were evolved and committees appointed to check them, the people did not get the houses. He stressed that difficulty in getting land should be removed by an Ordinance empowering Government to acquire land and if in War time Government could build so many houses they could certainly build at least few temporary houses for the working class. He reiterated Mr. Joglekar's remarks that unless and until certain necessary conditions were fulfilled comple peace was not possible. He suggested that in determining the

Wage as the principle should be that worker, his wife and two children got enough to live in a civilized way and that an interest varying between 3 and 5 per cent depending on the conditipns of the industries and localities should be a fair return to capital. As regards profits, he suggested that Government should see to it that the consumer got his goods at a cheap price and that the price level in the country was not allowed to go up.

Mr. Shantilal Shah agreed with Mr. Vasavada regarding the failure of the Government in taking certain action which they ought to have taken. He did not favour the idea that there should be some conditions precendent before the Resolution could be implemented. Dwelling upon the special merit of the Bombay Industrial Relations Act he suggested that for the resolution of Industrial disputes in a just and peaceful manner the machinery evolved under that Act should be set up. He pointed out that under the rules framed by the Central Government in connection with the Industrial Disputes Act, the conduct of the elections for the Works Committees was left to the workers and felt that that was a defect which should be removed by giving the election of the workers to the labour officers. He urged that Government should disclose their policy on fair wage, fair return on capital immediately. He agreed with Mr. Bashyam regarding profit sharing but stressed that the Managing Agency Commission for any one unit should not exceed Rs. 50,000 a year. He was of the opinion that depreciation must not exceed the amount fixed on the basis of the income tax authorities. After making allowance for these the net profits could be calculated and a return varying from 3 to 5 per cent could be permitted on the paid-up capital plus one-half of the present and future reserve. The maximum return on capital should not exceed 7½ per cent and thereafter the surplus must be equally divided between capital and labour. The payment in cash could be 3 to 4 month's wages but the rest should be in the form of industrial improvement in the case of industries. He suggested that profit sharing should be linked up with productions. Referring to the Railway authorities, he stressed that when the workers had a grievance against the Government the matter should be referred to an Industrial Tribunal.

Thakar Kuldip Singh pointed out that under the L.P. Act, the Provincial Government had taken very wide powers both for dealing with labour and the industries. He mentioned that his Government had acquired 4 concerns and was actually running one of them. He was afraid that so far as the proposed machinery was concerned, it might be possible to proceed on uniform lines but he agreed to cooperate with the Central Government in respect of the Central Tribunal. The U.P. Government had set up a Tripartitie machinery for the Sugar Industry and had achieved excellent results. He pointed out that in regard to Works Committees and U.P. Government found it necessary to deviate from the lines adopted in other Provinces. He also explained what his Government had done about housing.

Dr. Seth explained the position regarding workers demands and the action taken by the authorities. He denied having been told by a Union officer that the record would have to be fond from the police. He said that the local authorities were doing every thing possible to implement the Truce Resolution.

Mr. Chatterjee explained the position in Bengal and pointed t that the Provincial Government had suggested that there should be P In- cial Committees and Sub-Committees and the Works Committees.

Mr. Lall explained that the reason of the delay in implementing the Resolution was due to the fault that the workers' representatives made it clear that they were representatives in their individual capacity at the Industries Conference, and the Provincial Governments could not commit themselves definitely until they had taken a cabinet decision in their respective provinces. The employers did not also commit themselves. He pointed out that although letters were addressed to all concerned on the 12th January 1948 asking them to state whether they

accepted the Resolution most of the replies were still awaited. The A.I.T.U.C. reply was not clear and an important Employers' organisation had not considered the Resolution.

Mr. Mulherkar stressed that the fault lay with the Government.

Mr. Borthakingam pointed out that many of the labour representatives and employers' representatives said that they had personally accepted the resolutions and would use their influence to explain the resolutions to their organisations and then communicate the results later on to Government.

Mr. Lall referred to the reply of the A.I.T.U.C. and said that their view was that unless there was a change in the whole economic order of the country there was no use thinking of any industrial truce resolution. He refuted the contention that Government had adopted a policy of decontrol without caring for anybody and pointed out that that policy was adopted with the will of the legislature. Referring to Mr. Joglekar's allegation that the Resolution was charter of explitation by the employers because it gave 10 years to some industries, he said that a perusal of a few sentences of that resolution would convince anyone to which the exploitation did really go and it was thus unfair to accuse Government so. He refuted the charge that Government was creating a split in the labour movement and pointed out that inspite of their best efforts they could not bring together the A.I.T.U.C. and I.N.T.U.C. and that the position of the Government of India at the International Labour Conference had been very delicate because they to nominate the representatives in consultation with the most representative organisation. He asserted that he did not encourage any split and would be most happy were he not asked to decide which was the most representative organisation. Referring to the industrial disputes machinery, he pointed out that whatever inconsistencies were there in the decisions those were due to the fact that the constitution was such that it made inconsistencies and lack of coordination almost inevitable, especially because there was no clear cut demarcation between disputes following within the Provincial Sphere and those within the Central sphere. He illustrate the point by going examples but made it clear that attempts were always made to avoid those incosisteancies as far as practicable by trying to consult the Provinces and telling them what the Central Government's intentions were. He said it had therefore been suggested/the memorandum that if there was a very important major dis involving important questions of principles which were likely to affect organisations and workers in other Provinces, it should be referred to the Central Tribunal in other Provinces, it should be referred to the Central Tribunal proposed to be set up; otherwise there would the ~~a~~ minor Tribunal. He agreed that Tribunals should be well advised to associate assessors with them particularly those who were more or less experts or had very profound knowledge of the matters in dispute. Replying to a query of Sir Ardeshir Dalal, he pointed out that the Central Tribunals should by areas, except the one in Dhanbad which would deal with all coal-fields.

Referring to Sir Ardeshir Dalal's query as to whether a Standin Tripartite Committee for dealing with industrial disputes would not cut across the industrial disputes machinery already provided, he pointed out that it would not be possible to go on multiplying the industrial tribunals and unless men of very high standard could be obtained as adjudicators there would be the risk of having bad awards. He therefore, suggested that there should be a small Standing Tripartitte Machinery to which the parties could go and it would try and settle the disputes thereby taking away a large number of disputes from the Tribunal.

Thakur Kuldip N. Singh pointed out that they had a Committee 1

that in U.P.

Mr. Lall referred to the two statements that awards were not being implemented and that better of better conditions were being given to labour and even more pay that the Pay Commissions' Recommendations, but there were more strikes and more troubles and said that answer was provided by U.P. which was following a new policy of taking over in the case recalcitrant employers. He was afriad that that policy would have to be implemented by arresting persons who would cause strikes. Referring to the apprehension that so far as profit sharing and the determination of a fair remuneration to capital was concerned labour was to be kept out and the whole thing decided exparte by Government and employers, he thought that probably that wascaused by the demands made by Sir Shri Ram. He made it clear to the representatives on all sides that the Government was one and all and although in certain cases some might be absent the Government was working as a team and that in important matter the Ministries of Finance and Industry and Supply would certainly be associated and that labour would definitely be associated in matters relating to the determination of fair remuneration to capital, reserves, etc. Referring to the proposal that profits should be frozen by an Ordinance, he pointed out that the Resolution did not leave profits alone as a control of profits was contemplated. It was impossible for Government to give an undertaking that all retrenchment would be stopped but pleaded that if it was really wanted that retrenchment should be stopped, the observance of the Industria Truce Resolution was an essential sine qua non. He refuted the charge that nothing was done to increase wages and pointed out that in the Tea industry a very generous increase was effected by agreement and in the Sugar Industry also, Bihar and U.P. had done a good job. Referring to the machinery proposed he took it that that was generally acceptable but pointed out that in the Central Advisory Council not only the Ministry of Labour but also the Ministries who were interested would be represented. With regard to the suggestions, regarding determination of fair return to capital, fairwages, etc. he said that such matters might be left for the consideration of the machinery proposed to be set up. Quoting from the Resolution, he said that it was clear that there was mention of industrial truce although Mr. Gandhi had failed to find it there. He finally appealled to all sides that there must be a spirit of fairness on both sides and really there could not be any truce if one party was going to see always something bad in what was done by the other side.

Sir Ardeshir Dalal proposed a vote of thanks to the Chair which was seconded by Mr. Karnik.

....

GOVERNMENT OF MADRAS.
Development Department.

Letter/Miscellaneous No. 32047/P.IV/48-6.

From
Sri. W.R.S. Sattianathan, I.C.S.,
Secretary to Government.

To
The Secretary to the Government of India,
Ministry of Labour,
New Delhi.

Dated, Fort St. George, the 6th August 1948.

Sir,

Sub:- Tenth Standing Labour Committee - Summary of proceedings.

Ref:- Rai Bahadur Sadashiva Prasad's letter No. L.C. 264(1) dated 6.7.1948.

I am directed to state that the Government of Madras have no alterations to suggest to the provisional

summary of the proceedings of the tenth meeting of the Standing Labour Committee sent with the letter cited.

Yours faithfully,

(Sd) W.R.S.Sattianathan,
Secretary to Government.

/True copy/

Office Assistant,
Madras Record Office.

k.y.s. 21.9.

DEVELOPMENT DEPARTMENT

Please see the letter from the Labour Ministry on pages 13-14 c.f. and the provisional summary of the Proceedings of the Standing Labour Committee (Tenth Meeting held in April 1948) on pages 15-18 c.f. The Commissioner of Labour who attended the meeting on behalf of this Government has no alterations to suggest to the summary of proceedings. The Government of India may be informed that this Government have no alterations to suggest to the Provisional summary of the proceedings. Draft letter to India is submitted for approval.

x x x
6.8.

W.R.S. Sattianathan,
6.8.1948.

(Issued as Letter No. 32047/P.IV/48-6 dated 6.8.1948).

The papers may be recorded in a Government Order.

x x x
9.9.1948.

G.O. Ms. No. 4615, dated 9.9.1948.

Labour - Standing Labour Committee - Tenth sessions held in April 1948 - Proceedings - Papers recorded.

...

/True copy/

Office Assistant,
Madras Record Office.

k.y.s. 21.9.